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O'NEAL, SAYRE, UNDERWOOD, AND McVEE NOMINATIONS

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF DAVID C. O'NEAL TO BE ASSISTANT SECRETARY FOR LAND AND MINERALS MANAGEMENT; JOHN M. SAYRE TO BE ASSISTANT SECRETARY FOR WATER AND SCIENCE; DENNIS B. UNDERWOOD TO BE COMMISSIONER OF RECLAMATION; AND CURTIS V. McVEE TO BE FEDERAL CO-CHAIRMAN, ALASKA LAND USE COUNCIL, DEPARTMENT OF THE INTERIOR

SEPTEMBER 28, 1989

Printed for the use of the
Committee on Energy and Natural Resources

U.S. GOVERNMENT PRINTING OFFICE
24-021 WASHINGTON : 1989

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

S311-78

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O'NEAL, SAYRE, UNDERWOOD, AND McVEE NOMINATIONS

THURSDAY, SEPTEMBER 28, 1989

U.S. Senate,
Committee on Energy and Natural Resources,
Washington, DC.

The committee met, pursuant to notice, at 1:55 p.m., in room SD-366, Dirksen Senate Office Building, Hon. Timothy E. Wirth presiding.

OPENING STATEMENT OF HON. TIMOTHY E. WIRTH, U.S. SENATOR FROM COLORADO

Senator Wirth. The committee will come to order.

If Mr. O'Neal, Mr. Sayre, Mr. Underwood and Mr. McVee would please join us at the witness table.

This is a hearing on President Bush's nominations of David O'Neal to be Assistant Secretary of Land and Minerals Management of the Department of the Interior; John Sayre to be Assistant Secretary of Water and Science of the Department of the Interior; Dennis Underwood to be Commissioner of the Bureau of Reclamation; and Curtis McVee to be Federal Co-Chairman of the Alaska Land Use Council.

Without objection, all of your written testimony, the committee questionnaire and the financial disclosure statements will be submitted for the record.

Normally, Members of the U.S. Senate come and introduce the nominees, and it is also normal that the Chair has certain prerogatives. I am going to take those prerogatives by introducing to the record and to the committee the very distinguished nominee, John Sayre, to be Assistant Secretary of Water and Science.

John, we are delighted to have you here, and that President Bush has exercised the good judgment to ask you to be Assistant Secretary. As I think John's record shows, he has a very distinguished record as a water attorney in the State of Colorado. We have worked together on a lot of things. We have disagreed on some things along the line, too.

Among other things, John had the misfortune of being on the other side of the reserved water rights for wilderness case, but I figure that every good lawyer has his price, and there must have been a well-paying client on that side. That was perfectly all right and a very appropriate thing to do.

Davis, Graham & Stubbs, for which John has practiced law for many, many years, goes way back as a very distinguished law firm in Denver and in my own family's history. John is a Phi Beta Kappa graduate of the University of Colorado. He has practiced law in Colorado in Boulder with Don Brontzman, among other people. He has his roots very deeply into the Boulder and Denver communities, as do I.

So it is a very personal pleasure for me to make sure that John Sayre is properly introduced.

John, we are very pleased to have you here. Thank you very much for agreeing to take this on.

A number of other Senators have asked to introduce some of the nominees. We are about to have a vote on the floor of the Senate, and so I suspect they are waiting for that to occur. So if you are not already practiced in the ways of waiting for votes, we are going to start initiating you in that way.

[Prepared statements of Senators McClure and Wallop follow:]

OPENING STATEMENT OF SENATOR JAMES A. MCCLURE

HEARING TO CONSIDER THE FOLLOWING NOMINATIONS TO THE DEPARTMENT OF THE INTERIOR:

JOHN M. SAYRE TO BE ASSISTANT SECRETARY FOR
WATER AND SCIENCE;
DAVID C. O'NEAL TO BE ASSISTANT SECRETARY FOR
LAND AND MINERALS MANAGEMENT;
DENNIS B. UNDERWOOD TO BE COMMISSIONER OF RECLAMATION;
AND
CURTIS V. McVEE TO BE FEDERAL COCHAIRMAN OF THE
ALASKA LAND USE COUNCIL

September 28, 1989

GOOD AFTERNOON. I WOULD LIKE TO BEGIN BY WELCOMING TO THE COMMITTEE TODAY OUR FOUR PRESIDENTIAL NOMINEES. I AM PLEASED TO SUPPORT THE NOMINATIONS OF JOHN M. SAYRE TO BE ASSISTANT SECRETARY FOR WATER AND SCIENCE; DAVID C. O'NEAL TO BE ASSISTANT SECRETARY FOR LAND AND MINERALS MANAGEMENT; DENNIS B. UNDERWOOD TO BE COMMISSIONER OF RECLAMATION; AND CURTIS V. McVEE TO BE FEDERAL COCHAIRMAN OF THE ALASKA LAND USE COUNCIL.

I AM VERY PLEASED WITH THE PRESIDENT'S NOMINATION OF JOHN SAYRE TO BE ASSISTANT SECRETARY FOR WATER AND SCIENCE. I HAVE KNOWN MR. SAYRE AND WORKED WITH HIM FOR MANY YEARS, BOTH DURING THE TIME I'VE SERVED IN THE SENATE AS WELL AS IN THE HOUSE, AND BELIEVE HIM TO BE ONE OF THE FOREMOST WATER ATTORNEYS IN THIS COUNTRY TODAY.

MR. SAYRE IS CURRENTLY A PARTNER IN THE LAW FIRM OF DAVIS, GRAHAM AND STUBBS IN DENVER, COLORADO. HE HAS LONG REPRESENTED THE NORTHERN COLORADO WATER CONSERVANCY DISTRICT AND ITS MUNICIPAL SUBDISTRICT, AND IN HIS CAPACITY AS COUNSEL HAS GAINED EXTENSIVE EXPERIENCE IN MUNICIPAL AND WATER LAW ISSUES. HE HAS HANDLED MATTERS INVOLVING THE DEPARTMENT OF THE INTERIOR, THE FEDERAL ENERGY REGULATORY COMMISSION, THE COLORADO WATER CONGRESS AND THE NATIONAL WATER RESOURCES ASSOCIATION. I BELIEVE

MR. SAYRE TO BE EXTREMELY WELL-QUALIFIED FOR THE POSITION TO WHICH HE HAS BEEN NOMINATED AND I RECOMMEND HIM HIGHLY.

MR. CHAIRMAN, I ASK UNANIMOUS CONSENT THAT LETTERS SUPPORTING MR. SAYRE'S NOMINATION FROM THE ASSOCIATION OF CALIFORNIA WATER AGENCIES AND HARZA ENGINEERING COMPANY, REPRESENTING THE COLORADO WATER CONGRESS, BE ENTERED INTO THE RECORD AT THE APPROPRIATE PLACE.

MR. O'NEAL CURRENTLY SERVES AS THE ASSISTANT SECRETARY OF MINE SAFETY AND HEALTH AT THE DEPARTMENT OF LABOR, AND PRIOR TO THAT WAS DEPUTY DIRECTOR OF THE BUREAU OF LAND MANAGEMENT AT THE DEPARTMENT OF THE INTERIOR. FROM 1976-1981, HE SERVED AS LIEUTENANT GOVERNOR OF THE STATE OF ILLINOIS AND WAS ACTIVE IN A NUMBER OF STATE ENERGY AND MINING-RELATED PROGRAMS. HIS BACKGROUND AND EXPERIENCE IN FEDERAL AND STATE GOVERNMENT MAKE HIM WELL-QUALIFIED FOR THE POSITION OF ASSISTANT SECRETARY FOR LAND AND MINERALS MANAGEMENT.

MR. UNDERWOOD'S EXTENSIVE BACKGROUND IN WATER RESOURCE MANAGEMENT WILL SERVE HIM WELL IN THE POSITION OF COMMISSIONER OF RECLAMATION. HE HAS WORKED FOR MORE THAN TEN YEARS FOR THE COLORADO RIVER BOARD OF CALIFORNIA AND CURRENTLY SERVES AS ITS EXECUTIVE DIRECTOR AND EXECUTIVE SECRETARY. FROM 1969-1978, MR. UNDERWOOD WAS WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES; AND IN 1975 SERVED AS A CONSULTANT TO THE UNITED NATIONS, CONDUCTING WATER RESOURCES QUANTITY AND QUALITY MANAGEMENT TRAINING FOR A TEAM OF ENGINEERS FROM SPAIN. FROM 1966 TO 1969, HE SERVED WITH THE U.S. ARMY CORPS OF ENGINEERS IN THAILAND AND IN NEW ENGLAND.

MR. CHAIRMAN, I ASK UNANIMOUS CONSENT THAT LETTERS SUPPORTING MR. UNDERWOOD'S NOMINATION FROM THE STATE ENGINEER OF WYOMING, THE CENTRAL VALLEY PROJECT WATER ASSOCIATION, AND THE ARIZONA DEPARTMENT OF WATER

RESOURCES BE ENTERED INTO THE RECORD AT THE APPROPRIATE PLACE.

MR. McVEE IS WELL-QUALIFIED FOR THE POSITION OF FEDERAL COCHAIRMAN OF THE ALASKA LAND USE COUNCIL. FROM 1971-1984, HE SERVED AS THE STATE DIRECTOR OF THE BUREAU OF LAND MANAGEMENT IN ANCHORAGE, ALASKA. DURING THIS PERIOD, MAJOR LAND LEGISLATION WAS PASSED AND IMPLEMENTED, TO INCLUDE THE ALASKA NATIVE CLAIMS SETTLEMENT ACT, THE FEDERAL LAND POLICY AND MANAGEMENT ACT, AND THE ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT. FROM 1984-1986, MR. McVEE WAS PRESIDENT OF A JOINT VENTURE COMPANY IN ANCHORAGE--ALASKA COMMUNITY ENGINEERING SERVICES. HE CURRENTLY SERVES AS THE EXECUTIVE DIRECTOR FOR THE ALASKA MINERS ASSOCIATION.

MR. CHAIRMAN, I AM PLEASED TO BE ABLE TO SUPPORT ALL FOUR NOMINEES.

Malcolm Wallop

NOMINATION HEARING FOR JOHN SAYER, ASSISTANT SECRETARY FOR WATER AND SCIENCE AND DENNIS UNDERWOOD, NOMINEE FOR COMMISSIONER OF BUREAU OF RECLAMATION

SENATOR MALCOLM WALLOP

I would like to congratulate you on these appointments.

Mr. O'Neal, as Assistant Secretary for Land and Minerals Management you will be working closely and extensively with all western states. I am confident, after speaking with you this morning, that you understand my concerns and will take them into consideration in making the many decisions that affect Wyoming.

Mr. Sayer, as Assistant Secretary for Water and Science, and Mr. Underwood, as Commissioner of the Bureau of Reclamation, the decisions which you make could have enormous impact on my State and on the West in general and I know that you both are emminently qualified to handle such important matters. You come highly recommended.

Mr. Underwood, your approach to the issues, your character and abilities have earned you the respect of water resources officials in the western states. They are confident that you will exert strong and wise leadership for a bureau whose role in the arid West continues to be of critical importance but which is currently being redefined. I hope that you will aggressively and astutely further Reclamation's changing mission while maintaining respect for the rights of states and of private entities.

Mr. Sayer, I am told that you know western water and natural resources and I can think of no better qualifications than your extensive experience with these areas. Your understanding of the importance of these issues and your leadership with such organizations as the National Water Resources Association gives me confidence that your service will greatly benefit the Department of Interior and the nation.

I join in welcoming you all to the Committee today and I look forward to working with you in the future.

Senator **Wirth**. Alan Dixon will introduce David O'Neal as well as Paul Simon. Pete Wilson will introduce Dennis Underwood. Ted Stevens will introduce Curtis McVee, and it may well be that there are others as well who may be here. You all understand the nature of the process.

The rules of the committee which apply to all nominees require that they be sworn in connection with their testimony, so would you please rise and raise your right hand.

[Whereupon, the nominees were duly sworn by Senator Wirth.]

Senator **Wirth**. Thank you, gentlemen. Please be seated.

Before you begin your statements, I would like to ask three questions addressed to each nominee before this committee. First, will you be available to appear before this committee and other Congressional committees to represent departmental positions and respond to issues of concern to the Congress?

Maybe we could start with you, Mr. O'Neal.

Mr. **O'Neal**. Yes, sir.

Mr. **Sayre**. Yes, sir.

Senator **Wirth**. Mr. Underwood.

Mr. **Underwood**. I will. Yes, I will.

Senator **Wirth**. Mr. McVee.

Mr. **McVee**. I will.

Senator **Wirth**. Are you aware of any personal holdings, investments or any interests that could constitute a conflict of interest or create the appearance of such a conflict should you be confirmed and assume the office to which you have been nominated by the President?

Mr. O'Neal.

Mr. **O'Neal**. Sir, on my statement I have told of a particular stock that could be a problem that I will be getting rid of.

Senator **Wirth**. Other than that, the answer is?

Mr. **O'Neal**. No.

Senator **Wirth**. Mr. Sayre.

Mr. **Sayre**. At the time I filled out my financial disclosure I had a small interest in some Federal oil leases which I have disposed of.

Senator **Wirth**. Other than that, the answer is no?

Mr. Underwood.

Mr. **Underwood**. Other than what I have shown on my forms, the answer is no.

Senator **Wirth**. Mr. McVee.

Mr. **McVee**. Nothing other than what I've shown on the form.

Senator **Wirth**. Are you involved or do you have any assets held in blind trust?

Mr. **O'Neal**. No, sir.

Mr. **Sayre**. No, sir.

Mr. **Underwood**. No, sir.

Mr. **McVee**. No, sir.

Senator **Wirth**. Fine. Well, that takes care of that very simply.

[The prepared statements of the nominees follow:]

CONFIRMATION STATEMENT
DAVID C. O'NEAL

MR. CHAIRMAN AND DISTINGUISHED MEMBERS OF THE COMMITTEE.

I AM HONORED TO APPEAR BEFORE YOU TODAY AS PRESIDENT BUSH'S NOMINEE TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR LANDS AND MINERALS MANAGEMENT.

I AM PARTICULARLY PLEASED TO BE INTRODUCED TO YOU BY TWO GOOD FRIENDS AND DISTINGUISHED CITIZENS OF ILLINOIS; SENATOR ALAN DIXON AND REPRESENTATIVE BOB MICHEL.

I HOPE YOU WILL FIND ME QUALIFIED FOR THIS IMPORTANT POSITION. I BELIEVE MY HAVING BEEN A COUNTY OFFICIAL (SHERIFF) AND A STATE OFFICIAL (LT. GOVERNOR) WILL ENABLE ME TO REMAIN SENSITIVE TO LOCAL AND STATE ISSUES IN THE THREE AGENCIES UNDER MY ASSISTANT SECRETARIAT. MY SERVICE AS BOB BURFORD'S DEPUTY AT THE BUREAU OF LAND MANAGEMENT FOR ABOUT 2 YEARS AND SERVICE AS ASSISTANT

SECRETARY OF LABOR (MSHA) HAS GIVEN ME KNOWLEDGE OF MANY OF THE ISSUES FACING THIS ADMINISTRATION.

TELLING YOU I CAN WAVE A MAGIC WAND AND SOLVE ALL THE PROBLEMS THIS ASSISTANT SECRETARIAT HAS WOULD NATURALLY BE RIDICULOUS; HOWEVER, I BELIEVE MAKING THE OFFICE OPEN TO ALL CONSTITUENCIES, LISTENING AND WEIGHING WHAT THESE CONSTITUENCIES HAVE TO SAY, INVOLVING AND MOTIVATING, IN EVERY WAY POSSIBLE, AN EXCELLENT FEDERAL WORKFORCE, AND WORKING OPENLY WITH CONGRESS AND ESPECIALLY THIS COMMITTEE AND YOUR STAFF WILL BRING US A LONG WAY DOWN THE ROAD TO SOLVING SOME OF OUR NATION'S MOST PRESSING PROBLEMS.

THE PRESIDENT AND SECRETARY LUJAN HAVE SPOKEN ON NUMEROUS OCCASIONS ON STEWARDSHIP - THE CONSERVATION AND WISE MANAGEMENT OF OUR NATION'S NATURAL RESOURCES. WE BELIEVE WE MUST PROCEED

WITH THE ENVIRONMENTALLY SOUND DEVELOPMENT OF THOSE RESOURCES. HOWEVER, SECRETARY LUJAN STATED IN HIS OPENING REMARKS TO THIS COMMITTEE, "WE WILL OPPOSE DEVELOPMENT IN THOSE ENVIRONMENTALLY SENSITIVE AREAS WHERE THE RISK OF DAMAGE IS GREAT." I AGREE WHOLEHEARTEDLY.

WE FACE ISSUES OF GREAT IMPORTANCE TO OUR NATION'S SECURITY AS WELL AS HAVING RESPONSIBILITY OF PRESERVATION FOR SUCCEEDING GENERATIONS. I'M SURE WE ALL AGREE THAT JUGGLING ALL THE ISSUES OF MULTIPLE USE MANAGEMENT IS POSSIBLE IF WE ALL WORK TOGETHER TO DO WHAT IS RIGHT FOR OUR NATION.

I THANK THE PRESIDENT AND SECRETARY LUJAN FOR THEIR TRUST AND CONFIDENCE IN ME AND I THANK THE SENATE FOR TAKING TIME TO CONSIDER ME.

STATEMENT OF
JOHN M. SAYRE
BEFORE THE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATE SENATE

Mr. Chairman and Members of the Committee, I am honored to appear before you today as President Bush's nominee to be Assistant Secretary of the Interior for Water and Science. I hope you find me qualified to serve in this important position. I am eager and excited to work with this and other committees of the Congress and with the Bush Administration in resolving the many issues confronting this Nation.

I am from the West. I was born and reared in Boulder, Colorado, and have practiced law in Boulder and Denver, Colorado, for over forty years. Commencing in 1952, when I was appointed City Attorney of Boulder and continuing until today, I have been engaged in the practice of water law. I served as a Director of the Northern Colorado Water Conservancy District, the operator of the successful Colorado-Big Thompson Federal Reclamation Project, for fours years and as its principal counsel for nearly twenty-three years. I have also been a member of the National Water Resources Association and its predecessor for thirty years, and served as the President of the Association for two years. In these capacities I have become familiar with many of the Nation's water issues, particularly those of the Western States.

I am a graduate of the University of Colorado, majoring in economics, and of its School of Law. I am a member of the Denver and Boulder County Bar Associations and of the Colorado and American Bar Associations. I am also a Fellow of both the Colorado and American Bar Foundations.

As a partner of the Denver law firm of Davis, Graham & Stubbs, I have been active in its Natural Resources Department which has practices in environmental law, oil and gas, mining and water law. As indicated most of my practice has been in the water and environmental areas.

I feel privileged to have this opportunity to enter into public service in the Administration of President George Bush. If confirmed, I intend to fully support the agenda outlined by President Bush and Secretary Lujan for the Department of the Interior. Specifically, I support the ten-point agenda outlined by President Bush and Secretary Lujan for the Department of the Interior.

Secretary Lujan has frequently emphasized the principle of Stewardship and that the Department of the Interior, as managers of our natural resources, must be mindful of our obligation, not only to the present generation, but also to future generations.

We must be good stewards of our natural resources in order to achieve harmony between the human environment and the natural environment. Thus, a sound economy along with a quality environment, will be our legacy to future generations.

If confirmed as the Assistant Secretary for Water and Science, I will have responsibility and oversight of the Bureau of Mines, the United States Geological Survey and the Bureau of Reclamation. The programs of these three Bureaus directly support this stewardship principle and their unique engineering, scientific and managerial expertise is invaluable in addressing our high priority national issues.

The Bureau of Mines is committed to ensuring the United States has an adequate and dependable supply of minerals to meet its defense and economic needs at acceptable environmental, energy and economic costs. It accomplishes this mission by acquiring and analyzing worldwide minerals data, by conducting research to enhance mining and mineral processing safety and efficiency, and by conducting regulatory analyses to determine the impact of proposed regulations on the Nation's mineral industries and supplies. It will be my responsibility to assist the Bureau in accomplishing these objectives, and this I will do.

The United States Geological Survey is committed to collecting, analyzing, and discriminating the earth-science information needed to solve problems related to the stewardship of the natural resources of the Nation and the health, safety and well-being of our people. Its dedication is "Earth-Science in the Public Service." As the principal source of scientific and technical expertise in the earth-sciences, the United States Geological Survey must work in effective cooperative partnerships with counterparts at all levels of Government to achieve the necessary balance between the human and natural environment and to provide for the Nation's continuing growth. Again, it will be my responsibility to oversee and assist the United States Geological Survey in obtaining its mission and accomplishing its purposes, a responsibility which I am willing and glad to assume.

The Bureau of Reclamation is committed to preserving and managing existing water resources and protecting the environment. It has an aim of expanding economic opportunities, investing in people, and planning for the future. In 1987, the Bureau of Reclamation proposed to refocus its mission to reflect contemporary needs and values with regard to water and related natural resources. In its "Assessment '87" the Bureau set a new direction. It proposed to optimize its systems and use its engineering expertise to consider possible non-federal system operation opportunities, implement water conservation and groundwater management, seek private sector opportunities, enhance land and reservoir development, and explore other areas for the efficient marketing and distribution of the Nation's water supplies as well as the conservation of these water supplies, rather than to necessarily develop major new water projects. The Bureau of Reclamation is beginning to implement its new direction and is having some success in achieving these objectives; however, much remains to be done and it is my aim and purpose to assist in implementing the "Assessment '87."

Included within the objectives of each of these Bureaus are many varied and additional matters which will require the attention of my office. I will manage these Bureaus efficiently and make expeditious decisions after trying to resolve the diverse opinions and positions of the constituencies of these Bureaus, the Department, the Administration, and the Congress. I will have an open-door policy to encourage all points of view to be expressed, to attempt to establish a consensus position, but to nevertheless, if necessary, to make firm decisions as, and if, needed. Our heritage is that we have been blessed with a bountiful land having fertile soils, abundant water, great forests, productive fisheries, teeming wildlife, and rich mineral resources. It is my aim, within the confines of my responsibilities, to do my personal best to preserve and to develop these resources for our heritage and to exercise continued stewardship over them at all times.

This will not be an easy task, but I assure you I will be a good steward of our natural resources. It is my aim to provide a management style which will ensure the Department of the Interior better serves "all America and all Americans."

I will be most happy to respond to your questions.

STATEMENT OF
DENNIS B. UNDERWOOD
BEFORE THE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE

SEPTEMBER 28, 1989

Mr. Chairman and Members of the Committee, I am honored to appear before you today as President Bush's nominee to be the Commissioner of Reclamation.

I hope you find me qualified to serve with Secretary Lujan and other members of the Department of the Interior in the stewardship of our nation's valuable resources. I am committed to the President's and the Secretary's agenda for the protection of the environment, as well as the conservation and wise management and use of our natural resources. I am also committed to working closely and openly with this and other committees in the Congress to resolve difficult water issues and problems of today and tomorrow.

I was raised in the rural town of Vernon, Vermont. This rural upbringing provided me a great appreciation and respect for the outdoors and our natural resources. By contrast, for most of my professional career I have lived in the West in, or near, some of the nation's largest cities, commercial and business centers, and also some of our most productive agricultural areas. My technical training, professional public service career, and familiarity with different and contrasting environments all have provided me a broad understanding of diverse resource issues and problems, and the competing interests and increasing demands placed on our natural resources.

I graduated from Norwich University, the nation's oldest private military college, where I received a Bachelor of Science degree in Civil Engineering and a commission in the United States Army Corps of Engineers. Upon graduation and following my military service I elected to pursue a professional career in public service in the field of water resources development and management. I chose to pursue my career in the Southwest where scarcity of water has long demanded wise management and use of water. I began my career in the area of pollution control of ground and surface waters and water quality management. Through career changes and assumption of increased responsibilities, my work came to include all aspects of water resources planning, development, use, conservation, and management. Keeping abreast of western water rights, laws, and state and federal legislative actions has been imperative for me to maintain a comprehensive understanding of water issues.

I have continually tried to be on the leading edge with regard to water issues and related problem solving. I believe in being out front in responding to needs and problems, and in committing myself 110 percent toward accomplishing objectives. My management style is to remain accessible to all interested parties, to consult and foster cooperation in resolving problems, but to remain firm with respect to basic principles. I believe decisions should be drawn from sound data after careful consideration of all relevant factors.

I have general knowledge of many of Reclamation's activities, having worked with the Bureau on a day-to-day basis for the past ten years. I am also familiar, to a varying degree, with water, power, and related environmental issues in most western states, and have established good relationships with water officials in almost all the Reclamation states through my work within the Colorado River Basin and my active participation in interstate organizations.

If confirmed, I will fully support the ten-point agenda outlined by President Bush and Secretary Lujan for the Department of the Interior. I will also fulfill the statutory and contractual obligations of the Bureau, will respect state rights, and will honor prior and future commitments or cooperatively reformulate them to meet changing needs. Likewise, I am fully committed to the expanded agenda of the Bureau of Reclamation, where increased emphasis will be placed on:

-- water conservation, including improved system efficiency, facility rehabilitation, and system optimization;

-- environmental protection, including wetlands preservation and enhancement, toxic and hazardous waste clean-up, fish and wildlife enhancement, and other activities in support of the Endangered Species, Clean Air and National Environmental Policy Acts;

-- water quality protection and management, including non-point source pollution control, salinity control, irrigation drainage improvements, and other activities in support of the Clean Water and Safe Drinking Water Acts;

-- surface and ground water quantity and quality management, with emphasis on basin-wide management and river system operations and including rural water supply development;

-- research and development in support of the Bureau's traditional and expanded mission.

In keeping with this agenda for broadening the fundamental values and objectives of water development and management, three basic objectives I will pursue if confirmed as Commissioner are:

-- to make the Bureau a national and international leader in all aspects of its expanded mission, similar to the role it has so deservingly earned as a project planner, builder, and operator;

-- to establish open communications and consult on a frequent basis with Congress, the states, and all interested parties to cooperatively resolve difficult issues and problems.

-- to maintain the Bureau's traditional capabilities and develop the necessary additional expertise to effectively carry out its expanded mission.

Accordingly, Mr. Chairman, one of my first orders of business will be to review the status of the Bureau's reorganization and the initiatives being developed to meet its expanded agenda.

Mr. Chairman, these are exciting and challenging times for the Bureau of Reclamation. I recognize, as others have, that solutions to today's problems are not the same as yesterday's. By the year 2020, fully one-third of the nation's population will live in the West. The burden on our water resources will continue to grow. We must always seek to improve the way we use our natural resources and operate our existing and future facilities, and do so in an environmentally sensitive manner.

That is the basic mission of the Bureau of Reclamation, and I believe I have the energy, the experience, and leadership abilities necessary to carry out that mission.

Thank you, and I am happy to respond to your questions.

STATEMENT OF CURTIS V. McVEE
BEFORE THE
SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES

I am pleased to appear before your Committee today as nominee for the Federal Co-Chairman of the Alaska Land Use Council.

It is an honor to be nominated by President Bush, and I am very appreciative of the support from the Alaska Congressional Delegation including Senator Murkowski, a distinguished member of this Senate Committee on Energy and Natural Resources.

In Title XII of the Alaska National Interest Lands Conservation Act--Public Law 96-487--December 2, 1980, Congress recognized the magnitude of this action and the need for close coordination between the Federal and State agencies implementing the law. The Alaska Land Use Council was designed to facilitate this coordination. Written into the law was a 10-year sunset provision and also a requirement the Co-Chairmen report to Congress concerning accomplishments and recommendations for extension or other action. This is one of the unfinished tasks of the Council.

Beginning with the Statehood Act in 1959, followed by the Native Claims Settlement Act of 1971, and then the Alaska National Interest Lands Conservation Act, lands in Alaska have been committed to the State, Native Corporations, and Federal Land Management Agencies. Compared to other States, in a historical context, this has been a very traumatic change occurring during the span of one generation. The Council's activities have included reviews of a myriad of plans, regulations, and policies and, in some instances, conducting studies necessary to consolidate data to be used to standardize or coordinate procedures.

First, as a member of the Council when I was with the Bureau of Land Management and then as chairman of the Land Use Advisors Committee, I have continued to follow Alaska land and resource management issues closely. One key element resolving many of these issues is maintaining an open dialogue between the concerned Federal agencies, counterpart organizations in State Government, and Native land owners.

The Council has provided for this forum. These discussions eliminate some duplication of effort and increase the efficiency of the agencies, both Federal and State.

If you confirm my appointment, I will concentrate on the following tasks:

- Implementation of the Alaska National Interest Lands Conservation Act.
- Compliance with Title XII of the Alaska National Interest Lands Conservation Act.
- Foster cooperation between Federal agencies.
- Encourage coordination with State agencies.
- Facilitate full involvement and consideration of Native land interests.

Thank you for this opportunity to appear before the Committee. I will be happy to respond to any questions.

Senator Wirth. We could start the process of introductions. Senator Murkowski had an brief introduction that he wanted to note. Senator Simon, as I understand it, has a imminent deadline.

Could you defer for just a couple of minutes to Paul Simon?

Is that correct, Paul? Has the Senator from Illinois a short statement or a long one?

STATEMENT OF HON. PAUL SIMON, U.S. SENATOR FROM ILLINOIS

Senator Simon. I shall just be very brief, Mr. Chairman.

Dave O'Neal is from Illinois. He is a Marine veteran. He has been a sheriff, a lieutenant governor. He is a public official of experience. He has been in business. I think he will be an asset to the United States of America, and I am very pleased to be here to join my very senior colleague, Senator Dixon, in introducing him.

Senator Wirth. Senator Simon, you were terrific and brief. Unlike the rest of your colleagues, that was uncharacteristic in every way, and we appreciate it. [Laughter.]

Senator Murkowski. I cannot believe it, Senator Dixon. I think we ought to hear the other half.

Senator Wirth. We have an agreement with you. We always honor agreements with our colleagues on the panel first.

Senator Dixon.

STATEMENT OF HON. ALAN J. DIXON, U.S. SENATOR FROM ILLINOIS

Senator Dixon. Thank you, Mr. Chairman. I thank my friend from Alaska.

Mr. Chairman, I have a statement I am going to put in the record. Let me briefly say that Dave O'Neal is not only a lifetime personal friend, but he is from my hometown of Belleville, Illinois. His brother, Bob, and his sister, Betty, are more nearly my contemporaries, but the entire family are warm, personal friends.

Dave O'Neal was elected sheriff of my county of St. Clair some years ago, served there for a number of years with great distinction, and was then elected lieutenant governor of Illinois and served there at the time that I was Secretary of State of our state.

We were always warm friends, and in 1980 it turned out that we were opposition candidates for the seat I now hold in the United States Senate. He conducted his campaign with a great distinction of dignity and integrity. He has been throughout his life an outstanding public man.

I am delighted to endorse him enthusiastically for the job of Assistant Secretary of Lands and Minerals Management for the Department of Interior. I think he will be an outstanding public servant in that position.

[The prepared statement of Senator Dixon follows:]

INTRODUCTORY REMARKS

BY

SENATOR ALAN J. DIXON

ON THE NOMINATION OF

DAVID C. O'NEAL
FOR ASSISTANT SECRETARY OF
LANDS AND MINERALS MANAGEMENT
FOR THE DEPARTMENT OF THE INTERIOR

U.S. SENATE ENERGY AND NATURAL
RESOURCES COMMITTEE

SEPTEMBER 28, 1989

MR. CHAIRMAN, I APPRECIATE THE OPPORTUNITY TO COME BEFORE YOUR DISTINGUISHED COMMITTEE TO INTRODUCE TO YOU THE PRESIDENT'S NOMINEE FOR ASSISTANT SECRETARY OF THE INTERIOR FOR LANDS AND MINERALS MANAGEMENT, MR. DAVID C. O'NEAL.

DAVID O'NEAL HAS BEEN A FRIEND TO ME ALL MY ADULT LIFE. HE WAS MY VERY WORTHY 1980 OPPONENT IN MY BID FOR THE UNITED STATES SENATE. HE DEMONSTRATED IN THAT RACE THAT HE IS AN HONEST, CAPABLE, AND TALENTED INDIVIDUAL, WHOSE PERSONAL INTEGRITY IS BEYOND QUESTION.

DAVE O'NEAL WILL BRING TO THE DEPARTMENT OF THE INTERIOR A LIFETIME OF DISTINGUISHED PUBLIC SERVICE. HE IS WORTHY OF THE OFFICE FOR WHICH HE HAS BEEN NOMINATED, JUST AS HE WAS WORTHY OF THE TRUST THE CITIZEN'S OF ILLINOIS PLACED IN HIM WHEN THEY ELECTED HIM THEIR LIEUTENANT GOVERNOR. THIS IS A TRUST THAT WAS EARNED, IN PART, THROUGH HIS YEARS OF SERVICE AS SHERIFF OF ST. CLAIR COUNTY, IN MY HOMETOWN OF BELLEVILLE, ILLINOIS.

NOT ONLY DOES DAVE O'NEAL HAVE THE PERSONAL INTEGRITY NECESSARY FOR THIS HIGH OFFICE, BUT

HE HAS ESTABLISHED AN IMPRESSIVE PROFESSIONAL RESUME. AS A FORMER DEPUTY DIRECTOR OF THE BUREAU OF LAND MANAGEMENT HE HAS DIRECT KNOWLEDGE AND EXPERIENCE WITH AN OFFICE HE WILL OVERSEE AS THE ASSISTANT SECRETARY FOR LANDS AND MINERALS MANAGEMENT. AS THE CURRENT ASSISTANT SECRETARY FOR MINE SAFETY AND HEALTH AT THE DEPARTMENT OF LABOR, HE HAS GAINED FAMILIARITY WITH ISSUES AFFECTING THE MINING INDUSTRY AND MINE WORKERS. THIS BACKGROUND WILL SERVE HIM WELL AS HE OVERSEES THE MINERALS AND MANAGEMENT SERVICE AND THE OFFICE OF SURFACE

MINING RECLAMATION AND ENFORCEMENT.

DAVE HAS ALSO HAD THE GOOD JUDGEMENT OVER THE YEARS TO BE ASSOCIATED WITH ONE OF THE MOST OUTSTANDING PUBLIC SERVANTS I HAVE EVER OBSERVED; VICKI SANDS DIXON. VICKI IS NO RELATIVE, BUT HER ABILITY, INTEGRITY, AND PERSEVERANCE WOULD CERTAINLY MAKE ME A PROUD "COUSIN."

THE ISSUES FOR WHICH THE ASSISTANT SECRETARY FOR LAND AND MINERALS MANAGEMENT IS RESPONSIBLE REQUIRE A GREAT DEAL OF SENSITIVITY TO CONTROVERSIAL ENVIRONMENTAL, LAND USE, AND ENERGY ISSUES. FOR THIS

REASON THE POSITION SHOULD BE FILLED WITH ONE WHO IS BALANCED, TRUSTWORTHY, AND CAPABLE OF INSTILLING CONFIDENCE IN PEOPLE REGARDLESS OF WHICH SIDE OF THE CONTROVERSY THEY MAY BE ON. DAVID O'NEAL HAS THESE QUALITIES, AND I COMMEND THE PRESIDENT FOR HIS GOOD JUDGEMENT IN MAKING THIS NOMINATION.

I THANK YOU MR. CHAIRMAN, AND I THANK ALL OF THE DISTINGUISHED MEMBERS OF THIS COMMITTEE, FOR ALLOWING ME THIS TIME TO SPEAK TO YOU ABOUT THE FINE NOMINEE BEFORE YOU. I HAVE NO DOUBT THAT YOU WILL FIND DAVID O'NEAL A WELL QUALIFIED

AND WORTHY CANDIDATE FOR ASSISTANT SECRETARY OF INTERIOR.

Senator **Wirth**. Sounds to me as if he conducted his campaign just about right; is that right? [Laughter.]

Senator Murkowski.

STATEMENT OF HON. FRANK H. MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator **Murkowski**. Thank you very much, Mr. Chairman. Mr. Chairman, I know it is the intention of the senior Senator, Senator Stevens, to introduce Mr. Curt McVee, but the Senator is presently on the floor, I believe, so I am going to take this opportunity to insert in the record a long and embellishing statement on the qualifications of Mr. McVee and would ask that it be so noted.

Senator **Wirth**. Without objection, that statement and all others will be included in full in the record.

Senator **Murkowski**. I thank the Chairman.

For the benefit of my colleagues who are here and members in the audience, we are very fortunate to have Mr. Curt McVee. He is extraordinarily qualified to be the Federal Co-Chairman of the Alaska Land Use Council.

To give you some idea of the resource we have to work with here, Mr. Chairman, Mr. McVee has had a long and distinguished career in the field of natural resource management which is unique in Alaska. He started with the Bureau of Land Management in Billings, Montana in 1950, which certainly attracts one of our Members. He came to Alaska with the BLM in 1967 and served as the Alaska State Director for the BLM from 1971 to 1984.

As State Director, he was responsible for public lands in Alaska under the jurisdiction of the Bureau. This was a critical period for the development of the land mass of Alaska and included during that time the passage and implementation of the Federal Land Policy and Management Act, the Alaska Native Claims Settlement Act, legislation which later authorized the trans-Alaska pipeline and the Alaska National Interest Lands Conservation Act.

As a consequence, he has a deep and extraordinarily in-depth understanding of Alaska's land and resources. Most importantly, he went through the historical context of the passage of ANILCA and the many difficulties that have been encountered in its implementation.

More recently, he has performed the services of Executive Director of the Alaska Miners Association, which of course works to promote the sound and sensible utilization of Alaska's mineral resources.

Mr. Chairman, I wholeheartedly support Mr. Curt McVee. I am sure that the professional staff will find that his background and experience will assist in matters associated with Alaska and public land matters in the western United States. I am certainly very pleased that we have found him agreeable to accept this position.

Thank you, Mr. Chairman.

[The prepared statement of Senator Murkowski follows:]

SENATOR FRANK H. MURKOWSKI
STATEMENT IN SUPPORT OF THE NOMINATION OF CURTIS V. McVEE TO BE FEDERAL CO-CHAIRMAN OF THE ALASKA LAND USE COUNCIL
SEPTEMBER 28, 1989

Thank you, Mr. Chairman, for holding this nomination hearing today. I have known and worked with Curt McVee for many years and he is extremely well qualified to be the Federal Co-Chairman of the Alaska Land Use Council.

Curt has had a long and distinguished career in the field of natural resource management. He started with the Bureau of Land Management in Billings Montana in 1950. He came to Alaska with the BLM in 1967 and served as the Alaska State Director of the BLM from 1971 to 1984. As State Director he was responsible for the Public Land in Alaska under the jurisdiction of the Bureau. This was a critical period for the development of land policy in Alaska which included the passage and implementation of the Federal Land Policy and Management act, the Alaska Native Claims Settlement Act, legislation authorizing the Trans Alaska Pipeline and the Alaska National Interest Lands Conservation Act.

Curt has a deep and thorough understanding of Alaska and Alaska resource issues. Most importantly, he understands the historical context of the passage of ANILCA and the many difficulties that have been encountered in its implementation. Most recently, Curt has performed an excellent service as the Executive Director of the Alaska Miners Association which works to promote the mining industry in Alaska.

Mr. Chairman, I wholehearted recommend Curt McVee for the position of Federal Co-Chairman of the Alaska Land Use Council. As the Federal Co-Chair I know he will bring his extensive experience to bear on the many complex and often controversial implementation issues associated with the Alaska Lands Act. From this I know we will all benefit.

Senator **Wirth**. Thank you, Senator Murkowski.

With the indulgence of Senator Garn and Senator Armstrong, I have a note that Senator Wilson also has a very strict conflict of interest, and if it is all right with the two of you who are—fine. I am sorry. Did I say "interest"? I was not thinking about franking; I was thinking about time. All right, Senator Wilson.

STATEMENT OF HON. PETE WILSON, U.S. SENATOR FROM CALIFORNIA

Senator **Wilson**. Thank you, Mr. Chairman. Mr. Chairman, mindful of the fact that you have a busy agenda, I will cut down the prose that I would like to see introduced into the record in full.

Senator **Wirth**. Included in full in the record.

Senator **Wilson**. It would not do justice to Dennis Underwood in any case. He is extraordinarily well-prepared, experienced, to assume his responsibilities—the responsibility for which he is nominated: to serve as the Commissioner of the Bureau of Reclamation.

He is currently, as you are aware, the Executive Director of the Colorado River Board of California. He has given leadership to California for over 20 years. Despite his tender age, that statement is accurate.

He has been involved in water management. He has expert skills with respect to both the quality and the quantity of water, and both are of great importance in my state. It is well-known his experience in the area of pollution control has led him to serve as an exemplary consultant to the United Nations Food and Agriculture Organization. In 1975 he was chosen to train a team of engineers from Spain on water resources quantity and quality management.

He has, in his background, not only formal training as a civil engineer, but a good deal of experience in the U.S. Army Corps of Engineers, so that he brings with him a broad understanding of water resource issues to the Bureau.

He, I think, is deserving of the reputation that he enjoys among his colleagues within that profession. One of them, who I think is well-known to many of you, David Kennedy, has had this to say of him, "He has the confidence and the capability to serve as Commissioner, yet his respect and thoughtfulness of other will be what makes him outstanding."

He does have a reputation for being effective, for getting along with people, for getting the job done. He is a man of the highest integrity. And, in short, his personal characteristics, I think, equal the professional expertise he brings. That is what has allowed him to enjoy this very fine reputation. And I deem it a privilege to be able to introduce him.

I will not take the time to read in full this long statement that chronicles all that he has managed to crowd into his 44 years, in deference to the demands upon the time of the panel. But I am truly privileged—he is an outstanding public servant. I think we will be lucky to get him.

Senator **Wirth**. Thank you very much, Senator Wilson. You have, once again, earned the graditude of the Committee.

Senator **Wilson**. Thank you, sir.

Senator **Wirth**. Senator Armstrong has joined us.

Senator **Wilson**. Thank you very much for your courtesy, Mr. Chairman.

Senator **Wirth**. Thank you very much, Senator Wilson, and your statement will be included in full in the record.

[The prepared statements of Senators Wilson and Cranston follow:]

STATEMENT OF SENATOR PETE WILSON
OF CALIFORNIA
BEFORE THE COMMITTEE ON ENERGY & NATURAL RESOURCES
UNITED STATES SENATE -- SEPTEMBER 28, 1989

NOMINATION OF DENNIS B. UNDERWOOD TO BE COMMISSIONER OF THE BUREAU OF RECLAMATION

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM PLEASED TO APPEAR HERE TODAY TO INTRODUCE DENNIS B. UNDERWOOD, WHO HAS BEEN NOMINATED BY THE PRESIDENT TO SERVE AS THE COMMISSIONER OF THE BUREAU OF RECLAMATION.

MY STATE OF CALIFORNIA HAS BEEN BLESSED WITH AN ABUNDANCE OF MAGNIFICENT AND PRODUCTIVE NATURAL RESOURCES. TO MAINTAIN THESE MAJESTIC RESOURCES AND BECOME A COMPETITOR IN THE GLOBAL ECONOMY, STRONG LEADERSHIP IN THE AREA OF WATER DEVELOPMENT AND MANAGEMENT IS IMPERATIVE. THIS OFTEN REQUIRES THE EXPERTISE AND KNOWLEDGE TO BRING WATER FROM A SATURATED LOCATION TO A DESOLATE ONE, WHILE AT THE SAME TIME PRESERVING THE ENVIRONMENT.

FOR THE PAST 20 YEARS, DENNIS UNDERWOOD HAS CONTRIBUTED TO THE LEADERSHIP IN CALIFORNIA. I HAVE A SPECIAL INTEREST IN THIS PARTICULAR POST BECAUSE WATER IS SUCH AN IMPORTANT ISSUE TO THE STATE OF CALIFORNIA. IN WORKING WITH MY OFFICE AND THE OTHER COLORADO RIVER BASIN STATES, DENNIS UNDERWOOD HAS REPEATEDLY DEMONSTRATED HIS ABILITY TO COPE ADEPTLY WITH A MYRIAD OF SENSITIVE WATER ISSUES. I HOPE THAT YOU WILL AGREE WITH ME THAT DENNIS UNDERWOOD IS THE RIGHT PERSON FOR THE POSITION OF COMMISSIONER, BUREAU OF RECLAMATION.

DENNIS UNDERWOOD WILL BRING TO THE OFFICE OF COMMISSIONER A THOROUGH UNDERSTANDING OF THE IMMENSE COMPLEXITY INVOLVED IN WESTERN WATER ISSUES. AS THE CURRENT EXECUTIVE DIRECTOR OF THE COLORADO RIVER BOARD OF CALIFORNIA, MR. UNDERWOOD HAS BEEN EFFECTIVE FOR THE LAST TEN YEARS IN WORKING WITH THE SEVEN COLORADO RIVER BASIN STATES IN MANAGING THIS CRITICAL WATER RESOURCE. TRAINED AS AN ENGINEER WITH EXPERIENCE IN WATER QUALITY AND QUANTITY PLANNING, MR. UNDERWOOD IS WELL QUALIFIED TO TAKE ON THE RESPONSIBILITIES OF THE COMMISSIONER'S OFFICE.

MR. UNDERWOOD'S EXPERT WATER MANAGEMENT SKILLS COMBINED WITH HIS EXPERIENCE IN THE AREA OF POLLUTION CONTROL OF GROUND AND SURFACE WATERS MADE HIM AN EXEMPLARY CONSULTANT TO THE UNITED NATIONS, FOOD AND AGRICULTURE ORGANIZATION. FOR EXAMPLE, IN 1975 HE WAS CHOSEN TO TRAIN A TEAM OF ENGINEERS FROM SPAIN ON WATER RESOURCES QUANTITY AND QUALITY MANAGEMENT.

HIS BACKGROUND IN WATER RESOURCE MANAGEMENT, AND AS I'VE PREVIOUSLY MENTIONED, HIS FORMAL TRAINING AS A CIVIL ENGINEER COMBINED WITH HIS MILITARY SERVICE IN THE UNITED STATES ARMY CORPS OF ENGINEERS ENABLES HIM TO BRING A BROAD UNDERSTANDING OF WATER RESOURCES ISSUES TO THE BUREAU. AS WE WILL ALL AGREE, THIS KNOWLEDGE IS MORE THAN IMPERATIVE TO UNDERSTANDING THE ROLE OF THIS IMPORTANT FEDERAL AGENCY.

MR. CHAIRMAN, RATHER THAN GO ON FILLING THE RECORD WITH FURTHER FACTS AND ILLUSTRATIONS OF MR. UNDERWOOD'S EXCEPTIONAL WATER MANAGEMENT QUALIFICATIONS, LET ME PERMIT MR. UNDERWOOD TO MAKE HIS STATEMENT SO THAT YOU AND YOUR COLLEAGUES MAY BE AS IMPRESSED AS I AM WITH HIS RECORD OF ACCOMPLISHMENT AND MANAGERIAL SKILL.

IN SHORT, MR. CHAIRMAN, MR. UNDERWOOD HAS DEDICATED HIS ENTIRE ADULT LIFE TO THE SERVICE OF HIS COUNTRY AND SOUND MANAGEMENT OF WATER DEVELOPMENT. HE HAS DONE SO WITH CREATIVE THOUGHTS, AND A COMPLETE WILLINGNESS TO MAKE GREAT PERSONAL SACRIFICES OF THE KIND THAT PUBLIC SERVICE SO OFTEN ENTAILS.

DENNIS UNDERWOOD IS NOT ONLY AN EXPERT IN CIVIL ENGINEERING AND WATER MANAGEMENT, HE ALSO, AS ONE OF HIS COLLEAGUES, HAS STATED, "HAS THE CONFIDENCE AND THE CAPABILITY TO SERVE AS COMMISSIONER. YET HIS RESPECT AND THOUGHTFULNESS OF OTHERS WILL BE WHAT MAKES HIM OUTSTANDING."

MR. CHAIRMAN, DENNIS UNDERWOOD IS A MAN OF INTEGRITY, THE NATION IS FORTUNATE TO HAVE HIM. I AM CONFIDENT THAT HIS PROFESSIONAL EXPERTISE COMBINED WITH HIS GOOD CHARACTER WILL CONTRIBUTE SIGNIFICANTLY TO THE FEDERAL BUREAU OF RECLAMATION AND ENHANCE ITS FUTURE DIRECTION AND GOALS. IT HAS BEEN MY PRIVILEGE TO INTRODUCE HIM TO THIS DISTINGUISHED COMMITTEE FOR WHICH I THANK YOU.

STATEMENT BY SENATOR ALAN CRANSTON
BEFORE THE COMMITTEE ON ENERGY AND NATURAL RESOURCES
IN SUPPORT OF DENNIS UNDERWOOD TO BE COMMISSIONER OF RECLAMATION

September 28, 1989

Mr. Chairman, I'm pleased to recommend to the Committee Dennis B. Underwood to be Commissioner of the Bureau of Reclamation.

Mr. Underwood brings a wealth of experience to this important post, with knowledge of state, federal and international water issues. Now a resident of California, Mr. Underwood was graduated from Norwich University with a degree in Engineering. After serving with the Army Corps of Engineers in Thailand and New England, he went to work for California's Department of Water Resources where he participated in the update of the California Water Plan.

After working as a consultant with the Massachessetts Institute of Technology and the United Nations, in 1978 Mr. Underwood was appointed Executive Secretary of the Colorado River Board of California and in 1986 was appointed the Board's Executive Director. As Executive Director Mr. Underwood worked extensively with the other Colorado River Basin states, with the International Boundary and Water Commission and with federal agencies to develop and manage the water resources of the Colorado River. In this capacity, he worked closely with my office on Colorado salinity problems, and I know him to be competent, knowledgeable and professional.

Dennis Underwood possesses the dual skills of an engineer and an administrator. With his sound background in water policy he brings valuable qualifications to the tough job of Commissioner of Reclamation.

Mr. Chairman, the nomination is supported by many water users in my state and is endorsed by the Central Valley Project Water Association and the Association of California Water Agencies. I urge the Committee to approve the nomination of Dennis Underwood.

Senator WIRTH. Senator Armstrong, I had the privilege earlier, just as we got going, as things were settling down, of saying a few words on behalf of John Sayre, and I know that your perspective will even be more enlightening to all of us.

STATEMENT OF HON. WILLIAM L. ARMSTRONG, U.S. SENATOR FROM COLORADO

Senator ARMSTRONG. Mr. Chairman, I thank you for your courtesy.

As I was listening to these introductions, I realized that I am a devotee of the microburst theory of testimony. I have prepared a lengthy and interesting statement which I would like to insert in the record, and would add to that only the fact that John Sayre of Denver, Colorado, is an outstanding choice, not only for his professional credentials, but for his personal life.

His selection by the President to be Assistant Secretary of Interior for Water and Science is a popular one in Colorado among the lawyers, others who know him well, among his colleagues and professional peers.

I am confident that, for many, many reasons, when his term in this office draws to a close, we will look back and say this was a good appointment and that the Senate was wise in confirming it.

Now, Mr. Chairman, if this nomination were controversial or in trouble, I would give a long, drawn-out speech. Since it is not, I will insert it in the record and wish you well.

Senator WIRTH. Without objection, it will be inserted in full in the record.

[The prepared statement of Senator Armstrong follows:]

TESTIMONY OF SENATOR WILLIAM L. AMRSTRONG

ON BEHALF OF JOHN M. SAYRE FOR ASSISTANT SECRETARY OF INTERIOR FOR WATER AND SCIENCE

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SEPTEMBER 28, 1989

It is with great pleasure that I appear before this Committee today to express my strong support for Mr. John M. Sayre of Denver, Colorado.

I believe that Mr. Sayre will make an excellent Assistant Secretary of Interior for Water and Science. With his extensive experience in real estate, natural resources and water, he will run an efficient and aggressive Water and Science program and would bring unquestioned character and ability to the Bush Administration.

John M. Sayre graduated from the University of Colorado, receiving his B.A., cum laude, in 1943 and his J.D. in 1948. From 1943 to 1946, Mr. Sayre served as an officer in the U.S. Navy. Following law school, he was in private practice in Boulder, Colorado from 1950 to 1966, handling a variety of general practice matters. During this period, he also served as City Attorney for the City of Boulder (1951-55) and as general counsel to the Colorado Municipal League (1956-63).

In 1966, Mr. Sayre joined Davis Graham & Stubbs as a partner in the natural resources department, focusing on water and municipal corporations work. Significant to Mr. Sayre's practice is his long-standing representation of the Northern Colorado Water Conservancy District and its Municipal Subdistrict. In that capacity, he gained extensive experience in special and statutory district work involving such diverse matters as litigation, legislation, financing, contracts, and federal and state regulation.

Mr. Sayre's legal credentials are quite extensive. He is a member of the Bars of the state of Colorado, the United States District Court for the District of Colorado, and the United States Court of Appeals for the Tenth Circuit. He has been an active bar association member, serving as president of the Boulder County Bar Association (1959) and chairman and council member of the Water Law Section of the Colorado Bar Association (1968). He is also a member of the Denver Bar Association, the Boulder County Bar Association, the American Bar Association, and is a Fellow of the American Bar Foundation.

Mr. Sayre has been active with a variety of other professional organizations as well. He served as a charter member and as a member of the Board of Directors of the Colorado Water Conservancy District (1960-64), and he is Colorado Director of the National Water Resources Association (1980 to date) and served as President of that group (1984-86). He is legal counsel for the Colorado Association of Commerce and Industry (1981 to date) and is serving on that organization's Executive Committee.

With all of Mr. Sayre's impressive accomplishments, he will be a knowledgable and productive Assistant Secretary for Water and Science, and I strongly support his confirmation.

In closing, I wish to thank the Members of the Committee for their time and attention.

Senator **Wirth**. You, too, have earned our gratitude, particularly that of Senator Burns, and of Senator Garn as well.

Senator Garn.

Senator **Garn**. Mr. Chairman, I have spent 15 years in this body, and I have yet to ever determine if someone came to a hearing to listen to me. I thought hearings were for the purposes of listening to witnesses and that is what I am here for today, not to speak. I deserve your graditude as well. I am through.

Senator **Wirth**. All right. Let me also say, that there are some of us who always listened very carefully and learned a lot from you over the years. One of those is Senator Burns, who has a lot to learn—as do I. [Laughter.]

Senator Burns, do you have any opening statement you might like to make?

Senator **Burns**. Since I can not listen with my mouth, I will my ears. Thank you very much.

Senator **Wirth**. Thank you very much.

Gentlemen, we are delighted to have you here. We are going to have a vote, as I earlier announced, at 2:15.

We have really sorted out the underbrush of all of this. I think, before embarking upon your statements, why do not we just adjourn for a few minutes, if we might—have a recess for a few minutes.

We will go over and vote and come back.

[Recess.]

Senator **Bradley** [presiding]. The committee will come to order.

As I understand it, the Committee has made opening statements. Have you made your statements yet?

Senator **Garn**. No, sir.

Senator **Bradley**. Have you submitted your statements?

Senator **Garn**. We have submitted them; we have not made one today.

Senator **Bradley**. Well, let us assume that your statements are submitted to the record in full.

Senator **Bradley**. What I would like to do now is to move directly to questions, if we could, so that we will have enough time to have at least some exchange of ideas that are of interest to the Committee.

If we could, let me begin with Mr. Underwood. I would like to ask you and Mr. Sayre a number of questions. I would like to, if we could, institute a five-minute rule for questions, so that every member may be able to ask questions.

Mr. Underwood, the Bureau of Reclamation's Mid-Pacific Region is continuing its efforts to market a portion of the remaining uncontracted firm yield of Central Valley Project, as you are well aware. When the Water and Power Subcommittee held an oversight hearing in California just a month ago, the Chairman of California Water Resource Board testified that the Bureau's new water marketing effort should be postponed until the State Board completes its assessment of San Francisco Bay, Sacramento, San Joaquin Delta water quality needs.

It seems to me that the Mid-Pacific Region is using its discretion to directly frustrate state water policy and administrative prerogatives. What do you think? Do you think this reflects well on the

Bureau? And if not, what is your reaction to it? Do you intend to remedy the situation?

Mr. **UNDERWOOD**. Mr. Chairman, I am not really in the position to agree or disagree the——

Senator **BRADLEY**. Pardon me?

Mr. **UNDERWOOD**. I said I'm not——

Senator **BRADLEY**. Did you receive my letter, in which I enumerated the things I would be asking you, the questions we hoped to have responses to, in order that we might determine whether we should move ahead on your confirmation?

Mr. **UNDERWOOD**. Mr. Chairman, I received that yesterday afternoon.

Senator **BRADLEY**. So you had a chance to look at it?

Mr. **UNDERWOOD**. Yes, just briefly.

Senator **BRADLEY**. All right. Do you have an answer?

Mr. **UNDERWOOD**. Mr. Chairman, first of all, the comments I am giving are my own personal representations, because I am not a representative of the Department, as of yet. Once I am confirmed, I will be glad to meet with you on these particular issues.

At the present time, there is an Environmental Impact Statement [EIS] process going on with respect to the Central Valley Project, in terms of their water contracting program. I think that is an appropriate course of action for the Bureau. Based on those EISs, the Bureau will determine what the needs and allocations will be for water.

Senator **BRADLEY**. That is it?

Mr. **UNDERWOOD**. Yes, sir.

Senator **BRADLEY**. So, you do not see that the Bureau is holding up progress here?

Mr. **UNDERWOOD**. Again, I am speaking from my own personal observations; I cannot speak for the Department. But in this particular case, the Bureau seeks—and if I am confirmed, I will seek—to cooperate with the State. But there is this process which the Bureau is following in terms of the allocation for the CVP.

Senator **BRADLEY**. Okay. At the same hearing, which we held in Sacramento, the Chairman of California's Water Resources Board testified it would be in the state's interest if the Bureau would limit the term of CVP water supply contracts to 10 years or so.

What do you think?

Mr. **UNDERWOOD**. Mr. Chairman, again, I will just speak as to what the Secretary has done. He has agreed to renew those contracts and, at the same time, though, looking at an Environmental Recovery Program. I think this is appropriate. There is an Environmental Council report that he is also reviewing, and there is some litigation pending.

Senator **BRADLEY**. Are you in favor of the 40-year renewal?

Mr. **UNDERWOOD**. I think that the Secretary's action is appropriate.

Senator **BRADLEY**. Do you think that should be subject to an EIS?

Mr. **UNDERWOOD**. What the Secretary is doing is looking at an environmental recovery program. Again, this is my personal reflection—sometimes EISs are not necessarily the best form to proceed in trying to resolve problems. What you are looking for is the most timely way to make decisions and make the best decisions. That is what is in everybody's best interest.

Senator **Bradley**. Are you for or against the EIS?

Mr. **Underwood**. Mr. Chairman, again, I refer to the Secretary's decision. He was acting on the advice of the Solicitor. So, I think he has an obligation. In that particular case, there was a moral obligation for renewal.

Senator **Bradley**. On the five-minute rule, we will now move to Senator Burns.

Senator **Burns**. Thank you, Mr. Chairman. I do not have any specific questions. I want to thank—I got to visit with a couple of you in my office, and I think we pretty well ironed out the matters there.

We do have some serious concerns about water projects and the purpose of those projects, and do they fit into the multi-use of those projects. I think they answered those questions very satisfactorily.

I think that water development will continue in the west for the simple reason it is a great resource that we have. It is a resource that we have taken lightly in the past because we had felt we had done enough. Now, we find out, as population grows, as demands for that water increase, that we have not done enough. I think they answered my questions pretty much.

So, Mr. Chairman, I am happy. I have no further questions for these gentlemen.

Senator **Bradley**. Thank you, Senator Burns. Senator Garn?

Senator **Garn**. Thank you, Mr. Chairman.

I have had the opportunity to visit with Mr. O'Neal and Mr. Underwood. I do not need to take a great deal of time. I think they understand the problems of the west that I wish some of my eastern colleagues, east of the Mississippi, understood—that is, the difficulty of trying to work in a state that is two-thirds owned by the Federal Government, to begin with. There are times when I wish I could impose that, temporarily, on some of the mid-Western and Eastern States, just long enough to get a little sensitivity of the difficulties of when two-thirds of your state are removed from the tax rolls, and local county commissioners, Governors, have no revenue coming from those lands and no jurisdiction over them.

And so, it is a difficult problem, and it is not a partisan problem. Western Democratic Senators feel exactly the same way as Republican Western Senators do.

The second thing, of course, is that, particularly the intermountain west is very arid. My State is the second-most arid State in the country, only second to Nevada. So, water becomes a very valuable resource.

I remember back in the days of President Carter, when he had a large, so-called, hit list and canceled a lot of western water projects. There was a meeting held down at the White House with President Carter of Western Senators, Democrats and Republicans alike. All of us had spoken except Barry Goldwater.

President Carter turned to him and said, Senator Goldwater, it is not characteristic of you to be quiet. You have not yet said a word and we have been visiting for nearly 2 hours. He said, well, I just wanted to sum up after all my colleagues had finished. He said, well, fine, go ahead. He said, I will be very brief. You need to understand, Mr. Carter, you are coming from Georgia, where it rains a great deal, and the water flows rather freely. You need to understand that there are three things that we value in the west. We value women and gold and water. You can fiddle around with our women and our gold, but damn you, do not touch our water.

I think that sums up the problem that we face in not only being largely owned by the Federal Government and subject to the jurisdiction of many Federal agencies rather than the normal process of dealing with local and State officials.

Secondly, it does not rain enough. In my own state, we have plenty of water in the form of snowfall, if you have the ability to store it to get you through the dry summer months. This summer is an example. In Salt Lake City, it has rained seven-one-hundredths of an inch since the first of June—seven-one-hundredths in the last 4 months.

We have water through the summer, not from any source that came during the summer, but because we stored the melted snow.

That is a fundamental concept that you in the Bureau of Reclamation need to fully understand that is different from areas like Northern Virginia, where I hear them talk about water shortages and see how much it rains back here.

We have had conversations before, and I will continue to press that western point of view of how valuable water resource is to us in, particularly, the intermountain states: more valuable than any other resource. And we will fight to make certain that we have that water available.

Thank you, Mr. Chairman.

Senator **BRADLEY**. Thank you, Senator Garn, for your thoughts and also for your participation. You have a great deal of experience in this area. I know the committee members have a lot of experience, but yours is particularly important. Anything you have to say about water is heard by everyone in the Committee, including me. I appreciate that.

Senator **GARN**. Flattery will get you everyplace.

Senator **BRADLEY**. Let me, if I could, return to some questions that I would like to at least try to see if you could enlighten the Committee on, because these are serious issues; and they are issues that, I think, in order to serve well, you have to give us your ideas and views, one way or another. The reason we have a committee hearing is so that you can do that in the most efficient way possible, with one hearing in one place.

Let me see if we move down through a few more questions. Mr. Underwood, the winter-run chinook salmon of the Sacramento River is now a threatened species under the Endangered Species Act. California has said the same thing. The problem there is really at the Shasta Dam and Red Bluff Diversion.

What do you think are the Bureau's responsibilities under the Endangered Species Act?

Mr. **UNDERWOOD**. Mr. Chairman, in terms of fish and wildlife enhancement and preservation, and compliance with the Endangered Species Act, there are a lot of opportunities that have not been taken by the Bureau in the past. I think there are some opportunities for good cooperative efforts, and that these areas are an expansion of the mission of the Bureau: to get into environmental protection and also water quality protection.

There are temperature controls that are being looked at in terms of some of the problems out at Shasta. In the particular case of the winter-run salmon, I am not really intimately familiar with all of the factors that go with the salmon, but, like any other decision that I am involved in, I seek to determine all the facts and consider all the relevant factors. After having that, then I will give due diligence to preservation for the salmon.

Again, it is an expanded role of the Bureau, and it is something that has to be incorporated into its planning process.

Senator BRADLEY. But you are not familiar with the Shasta River or Red Bluff Diversion?

Mr. UNDERWOOD. I have basic understanding; I do not have great knowledge. I do have some general knowledge of problem areas. That was not my responsibility in my prior job or present job.

In terms of the overall problems, the technical problems and dealing with them, I understand, but the actual mechanics of that particular project and its resolution, I am not intimately familiar with.

Senator BRADLEY. OK. Well, then, let us move on.

The Director of California's Fish and Wildlife Department testified at our hearing in Sacramento that he felt it was time to implement the Bureau's report on the Central Valley Wildlife Refuge water supply needs. The Bureau appears not to have any immediate plans to implement the report. If the state is ready to move on this, what is your thought about the Bureau wanting to move?

Mr. UNDERWOOD. Again, Senator, this is my personal observation, not necessarily the Department's position. But I am aware, from some general information briefings I have had, that there are 15 refuges where they have a report that defines what the water supply or water needs are for those refuges.

My understanding from the water contracting program process, through that EIS process, once that is done, then they can do a planning report as to how they can meet the needs for those refuges.

Senator BRADLEY. When do you expect the Bureau to act?

Mr. UNDERWOOD. I am not sure of the schedule of the EISs. I am just not that acquainted to know the timetable. But I know that there is that process going through the completion of the EIS, where you define the water that is potentially available, and then through the planning reports themselves, and that would be the correct process to follow.

Senator BRADLEY. How long does that usually take, EIS, would you say?

Mr. UNDERWOOD. It depends on the scoping, Mr. Chairman, on the issue. You know, some issues are relatively simple; some are more complex. You are getting an area in fish and wildlife which has probably been one of the reasons that it has not been adequately considered in the past. Generally, there is a lack of information in the fishery management plans on what the individual species' needs are. What you need in these particular cases is good, sound information to understand the interrelationships of how they existed with the environment before and what the changing conditions are now.

In these particular cases, you are getting into new areas where there is not a lot of information; so, it takes a little longer.

Senator **Bradley**. Do you have any idea on time on this?

Mr. **Underwood**. I am not familiar enough with the detail of how much data they actually have, Mr. Chairman. Again, in these particular issues, there are trade-offs, and because there can be substantial impacts on other uses, you do need sound data and you need to consider all relevant factors. Without that, you should not be making a decision, because you could actually have a worst impact than what you presently have.

Senator **Bradley**. Tell me, if the question is water for the refuges, what do you think about conservation as a way of trying to free up some of that water?

Mr. **Underwood**. That has been a process that has been looked at, creating new water through conservation. Again, this is my personal view. You have to balance needs, obviously. There are other needs, and sometimes that water may be spoken for many times over. So, you do still have to go through the balancing of meeting the needs in those areas. But it does create an avenue for gaining water for fish and wildlife interests or wetlands enhancement and preservation.

But, again, it depends on the particular locality and what the conflicts are in terms of the magnitude of use and what the competing interests are. You are getting into increased competition for a resource, and you have to go through the appropriate balancing of needs. You have to go through a sound process when you make those decisions.

Senator **Garn**. Mr. Chairman, I do not mean to interrupt, but your mike is fading in and out.

Senator **Bradley**. Why don't I move? I thought that was the case as I saw your faces. So let me move on then to another area, which is the problem of toxic waste in the Central Valley, and water contamination at Kesterson. As you know, it has been a very serious problem.

And, in your opinion, does the Secretary of the Interior, through the Bureau, have the authority to impose drainage management conditions or obligations on the Central Valley project contractors?

Mr. **Underwood**. Senator, again, let me qualify my remarks. It is, again, from my personal observation and not necessarily a position of the Department. In the particular case of the Kesterson, there is a solution that has been worked out with the State, and it is the idea of keeping the area from becoming saturated. There are also some mandates to develop a drainage plan for Westlands Irrigation District area.

The drainage problem is one of these areas that you need to be out front on. And if I am confirmed, that is what I intend to do. If there is a problem that appears to be developing of this nature with drainage, then I think that we should be aggressive in being out front in finding out where those problems are, doing necessary research, and in a particular case that we have some immediate solutions we implement them. But if you do not pursue research aggressively, you are not going to come up with the best solutions.

Senator **Bradley**. But do you think that the Secretary, through the Bureau, has the authority to impose drainage and management conditions?

Mr. **Underwood**. I cannot answer that, Senator. I am not aware of what the authority of the Secretary is in this regard. I would have to review that before I could agree or disagree.

Senator **Bradley**. So you would not know if a solicitor's opinion has been requested on this?

Mr. **Underwood**. In terms of the?

Senator **Bradley**. On this question as to whether the Bureau and the Secretary have the authority?

Mr. **Underwood**. No, I am not aware.

Senator **Bradley**. Okay.

Under the Reclamation Reform Act, it requires development of water conservation plans by Bureau water contractors. Do you think that the response to date is consistent with congressional intent?

Mr. **Underwood**. Here again, Mr. Chairman, I am giving you my personal observation, and not necessarily the Department's.

Senator **Bradley**. And how would you characterize the response to date?

Mr. **Underwood**. Under section 210 of the Reclamation Reform Act, contractors are to come up with conservation programs. This, again, is a new avenue that is being pursued. There are a number of plans that already have been put together. There is a task force that has been created within the Bureau of Reclamation to monitor the program and also to come up with some general principles.

My understanding is the areas they are looking at mainly now are the measures that the contractors have developed and their timetable for implementation.

Again, it is an area that I think the Bureau of Reclamation, in its redirection, can aid substantially in being out front and providing some services, in terms of water conservation and technical advice, not only at the point of use, but also at the point of the conveyance, and even at the source of supply. There is much to be done in the way of conservation.

Senator **Bradley**. How would you characterize what could be done in the Central Valley, in conservation, as it would relate to fish and wildlife or to drainage control? Can you give us some sense of what your expectations would be?

Mr. **Underwood**. A lot of these interplay, Senator; again, I am doing this from my personal background.

When you are doing conservation, a lot of times you end up also improving water quality because many times water use practices create some of the drainage problems, either from overuse or because water comes in contact with various types of soils. So, in the particular case of conservation, if you are promoting conservation aggressively, then you will also create solutions to other problems, whether they are water quality or others. You are also providing some additional water supply to the system. And so it is a win-win situation for people.

And again, I think Bureau has had a mission; it has done a good job in that mission, but there are expansions into some areas that it can bring about, in terms of total resources management. And water conservation is one of those areas.

Senator **Bradley**. But do you have any specific thoughts on the Central Valley and the role of water conservation as it relates to fish and wildlife or drainage control?

Mr. **Underwood**. Senator, looking at the overall system—obviously the area of conservation, as I said, reduces the amount of agricultural drainage water that is available and prevents water logging. It can also improve some of the water quality. I have no set plan, because that, again, has not been within my area of responsibility. I am well aware of the problems they have there, and it is not unlike drainage problems in other areas.

As I said, there is a plan to develop a drainage program. I would wait to see the alternatives. This is where the sound information is being developed.

Senator **Bradley**. Well, let me ask you about another aspect of this. If reclamation water that has previously been wasted is conserved, do you believe that the Bureau has legal authority to market the conserved water to other users?

Mr. **Underwood**. Again, Senator, let me just qualify that it is my personal view; I am not speaking on behalf of the Department.

You have to look at the individual situations. If you are talking about certain areas where they have a water-use priority scheme—the water is already spoken for—you are limited to beneficial use, you may not have a right to sell. You may be just limited to the beneficial use of water.

So you have to take a look at each individual case, especially when you are in the west, where there is a great competition for water. The water is spoken for many times over and is used many times over and over. So you cannot necessarily say, because you could be damaging a third party in these particular cases. It is a win situation in the sense that you are providing additional water for use. Wherever it goes depends a lot on the institutional structure, because you may be depriving a lower-priority user of water.

Senator **Bradley**. But my question really is do you think that legal authority exists for the Bureau to move the conserved water elsewhere?

Mr. **Underwood**. Again, this is my personal opinion.

I think they should encourage it. In many cases you have to look at the individual statutes governing particular uses. The Bureau should obviously foster and be out front in trying to aid in situations where you can make greater beneficial use of water.

Too many times we are so willing to throw away the institutional arrangements. Many times we can work within them very easily. The framework is flexible if you are willing to work within it, if you work on a cooperative basis. And that is what it takes, working with partnerships, not in a hostile atmosphere, but with partnerships to solve problems. That is why I am here.

Senator **Bradley**. Senator Burns or Senator Garn, if you would like to ask any more questions, please feel free to.

Senator **Garn**. Go ahead, Mr. Chairman.

Senator **Bradley**. Let me turn, if I can, to the question of the Colorado River and the Glen Canyon Dam.

You were Executive Director of the Colorado River Board in California.

Mr. Underwood. Correct.

Senator Bradley. And you strongly opposed efforts by members of Congress to encourage the Secretary of the Interior to review the Glen Canyon Dam operations through the National Environmental Policy Act.

Mr. Underwood. I do not think that is a fair portrayal, Mr. Chairman.

Senator Bradley. How would you describe your position, then?

Mr. Underwood. I was a State official in that regard. There were seven states involved. There are appointments by the governors to represent those seven States; I happened to be the governor's representative for California. I represented California's interest in the river system. I was also responsible for reviewing river operations.

In the particular case of the Glen Canyon environmental studies, there was an effort that was established to do some impact studies. Those studies occurred at a period of time of high flows that were not necessarily representative impacts.

There were some concerns with effects on recreational and environmental resources below Glen Canyon Dam. What you had here is an opportunity either to proceed with the environmental studies or pursue an environmental impact statement.

And in this case the States acted collectively as a body. Again, remembering these are experienced people in "The Law of the River" and in the river operations in representing the seven States, who collectively indicated that they were in favor of continuing the studies. The States had expressed concerns from day one with regard to the management of those studies and the timeliness of those studies.

We thought that the studies would be the more appropriate route to go. What we are looking for are data so we can make a decision. And how do you get there which is the best and the most efficient and less costly means of doing it? And we felt, at that particular time, that it was through the Glen Canyon environmental studies.

We met with the Secretary of the Interior in this regard. He elected to go with an EIS. The seven States said that they would fully cooperate with him. They appreciated his decision.

There were some other considerations being given to whether it was a Federal action or not. That was not our concern. Our concern was the timeliness of completing the studies and getting the solid information on which to make decisions.

Senator Bradley. That clarifies it, and I appreciate that very much.

Again, when you were Executive Director, there were minutes of the board's meeting in March, I think, of 1987, when a resolution was passed stating that river augmentation would be required by the turn of the century.

Would you share with us your view as to whether you consider Colorado Basin transfers to be a practical means to address any projected shortfall in the Colorado basin water supplies?

Mr. **Underwood**. Senator, I think you may be aware that there have been some legislative moratoriums, which prevented the Federal study of various types of import schemes. They have been recently renewed. Those started, I believe, in 1968, and have been renewed a few times. And just last year or the year before, there was another piece of legislation that required the cooperation of respective governors before studying any of those type of import schemes.

The Basin States collectively recognized that the water that has been apportioned to the States exceed the long-term natural river supply. One of the things I think you are probably referring to in those, without looking at those minutes, in terms of the augmentation, was trying to get to a decision about the 1968 Act—the obligation of the United States to meet the Mexican Water Treaty obligation. And that is the first obligation of any augmentation of the river. And in that Act there was an authorization for augmenting the river by 2.5 million acre-feet.

What the States were looking at and what we recognize as probably having the greatest potential is precipitation management. There is an opportunity, potentially, for a 10 to 15 percent increase in water supply. There are a lot of questions that have to be addressed regarding that, but what we are concerned with is that we promote the type of study to find out if it is a viable solution to the over-commitment of the Colorado River system. The Basin States have collectively been very interested in pursuing this research and finding that answer.

Again, what you were pointing out, there are other uses that can be made of that water. Obviously if you have more in-stream flows, there is more power generated. However, there are also questions regarding institutional, legal and environmental effects.

What we wanted to do, and have been constantly pursuing, is to define those answers, to see how practical it is. Again, is this a solution for certain areas? There is a special application that could be done with precipitation management in the Colorado River Basin System.

Senator **Bradley**. Could you tell me what your understanding is of the Federal Government's trust responsibility to Indian tribes?

Mr. **Underwood**. Pardon me? Would you repeat that, Mr. Chairman?

Senator **Bradley**. The Federal Government's trust responsibility to Indian tribes, generally. I am just curious as to how you would formulate it.

Mr. **Underwood**. Again, this is my personal belief that they are to protect the rights of the tribes.

Senator **Bradley**. What is the Bureau's role in fulfilling the Federal Government's trust responsibility?

Mr. **Underwood**. I can think of a couple of roles that it has had in more recent times, and, again, this is just from my personal experience. They have helped facilitate some of the Indian water rights settlement agreements. They have also, in cooperation with the tribes and the Bureau of Indian Affairs, done some work in terms of safety of dams and also in developing irrigation systems. It is something that is sought cooperatively with the tribes. In many cases, the Bureau does have the expertise but it has always been with the concurrence of both the Indian tribes and the Bureau of Indian Affairs.

Senator **Bradley**. So you see the Bureau not only as an advocate for reclamation projects, but also as an agency of the Federal Government, responsible to the Secretary in fulfilling these trust obligations?

Mr. **Underwood**. I am sorry, Senator. You lost me on part of that. Could you repeat that again?

Senator **Bradley**. Would you see the Bureau as the part of the Federal Government that does have responsibility for fulfilling these trust obligations to tribes?

Mr. **Underwood**. Again, this is my personal opinion; it is not a reflection of the Department. I have recently been involved in the establishment of a floodway in the Colorado River system. Indian tribes were involved in that. And that effort was being headed by the Bureau of Reclamation. It was a joint effort that would lead to enhancement and improvements on the reservation lands.

And I believe that there are some other opportunities but they obviously have to be done on a cooperative basis with the individual tribes and through the Bureau of Indian Affairs. So they could play a role, obviously, and an important role.

Senator **Bradley**. Mr. Underwood, I have a lot more questions, but what I would like to do is to submit them to you in writing and get your responses in writing. And then maybe there will be another time where they can be sharpened somewhat, so that we can get to very specific points, if that is okay.

Mr. **Underwood**. Mr. Chairman, I would openly extend an invitation to be more than willing to meet with you, if I am confirmed, and go over these in great detail.

Senator **Bradley**. Well, I think we want to get the answers first. That is what the process is about.

Mr. **Underwood**. My understanding, Mr. Chairman, is that this process, I thought, was to look at my qualifications, and not necessarily a drill on particular, individual projects.

Senator **Bradley**. Well, I think that sometimes, when you focus on the specific, you get the general. And what we are looking for here is your basic approach and attitude, as we are with all nominees, who are nominated to handle very specific projects.

Now, to the extent you would like to begin answering all questions with a general statement of principle, that would be fine, too, as long as it is not too vague.

Mr. **Underwood**. Mr. Chairman, one of the things on which I have always prided myself in is seeking solutions on a cooperative basis. And I have always been up front and I have been a very direct person. And I believe, if I am confirmed, that is the same management style that I will pursue.

Senator **Bradley**. Good.

Mr. Sayre, let me ask you a few questions if I can now.

Did you receive the letter suggesting areas of questioning that might occur at this hearing?

Mr. **Sayre**. Yes, I received the letter that was directed to Mr. Spagnoli, yesterday afternoon, late.

Senator **Bradley**. So you have a general idea of the areas of my interest?

Mr. SAYRE. Yes.

Senator BRADLEY. Let me ask you, if you were confirmed, and I know that you have got a lot of experience, would you undertake to resolve the Platte River water controversies?

Mr. SAYRE. It depends on what you mean by Platte River controversies.

Senator BRADLEY. Among the Basin States and between the Basin States and the Federal Government, and between the development and environmental interests.

Mr. SAYRE. The Platte River controversies have existed for many years between Wyoming, Colorado, and Nebraska. They are presently in litigation between Nebraska and Wyoming. I would certainly do everything I can to facilitate trying to get an understanding on the various issues that are a problem.

I know that the construction of dams on the Platte River in Colorado has caused concern in Nebraska, particularly on their wildlife. And those are difficult problems.

There seems to be some controversy, but I certainly would do everything I can to sit down among the interested parties and try to work out a resolution. They have been trying to do it for some time.

Whether I would be successful or not, I do not know, but I would certainly give it a try.

Senator BRADLEY. Well, they have sure been trying, and it would really help to have someone who wants to resolve these questions. You know, you have got the legal requirement to protect the whooping crane and all the other migratory birds, et cetera.

Mr. SAYRE. Yes, cranes and all sorts of things.

Senator BRADLEY. And yet, you know, you are in a state of paralysis. So your idea is you would get in there and you would try to get them resolved?

Mr. SAYRE. I would certainly be willing to try to do that.

Senator BRADLEY. You know, it is interesting, whenever nominees come before the committee, we receive letters from a lot of different sources, pro and con. And you had a letter to the committee from the Environmental Defense Fund. And I do not know if you are aware of this, but they wrote the committee expressing concerns with the nomination, but not opposing the nomination, which I think is very interesting.

But one of the questions that they raised is to whether you are sensitive to the new balanced mission of the Bureau. And I wondered if you could share with us how you see the new mission of the Bureau and how it differed from the past, and what your level of interest and support is?

Mr. SAYRE. I am very enthusiastic about the new mission of the Bureau of Reclamation. I think they have made a good beginning, at least organizationally. They are beginning to get it together. There is still much to be done, and that is one of the main reasons, if not the principal reason, that I am challenged by this position; that is, to try to move it ahead and to work it out.

The difference, as you know, is that most of the financing for major projects, perhaps a need for major projects in many instances, is not available any more. Certainly, Federal financing is not available.

There are many things that can be done by management, conservation, studies on efficient use of water. And we have new interests, such as in-stream flows and other fish and wildlife issues that have to be addressed. It is a new thing since the Bureau was first instituted.

I think it is a real challenge. And that really is my principal objective in taking this job—to try to push that ahead.

Senator BRADLEY. And specifically on the environmental challenge, if you wanted to demonstrate that you were committed to the Bureau's new sensitivity on issues related to the environment, what would you tell the committee?

Mr. SAYRE. I guess I would tell them that I have, in private practice, in numerous instances, been involved in environmental problems, on construction of a privately financed project that our district, the sub-district of the Northern Colorado was building. We had many environmental problems.

We worked those all out by negotiations. And I think they were relatively well received. After they were done, I know there have been some objections, but we have had Indian artifacts, endangered species.

We were instrumental, when I was attorney for the district, in working out the first wild and scenic river segment in Colorado, in fact. And I think I have a great sensitivity and understanding of those problems.

I certainly think that I would work to try to balance these out by consensus. Once in a while you have to take the bit in your mouth, though, and make a decision. But I would hope that we could do it by negotiation and consensus.

Senator BRADLEY. I think that is a very positive attitude to have. More specifically, do you think that the Federal Government should promote and encourage negotiated settlements on Indian water rights issues?

Mr. SAYRE. I certainly do. And I think the Bureau is trying to do that. It may take legislation, but I think, my understanding is that they are trying to negotiate these as best they can, and they are long, hard negotiations, but I think it can be done. It has been done in several instances, particularly in Arizona.

So I would certainly encourage negotiation if possible. Litigation usually makes both sides angry.

Senator BRADLEY. Basically, what would be your attitude toward using Federal reclamation projects as a way of facilitating the solution of Indian water rights claims, either through exchange or conservation?

Mr. SAYRE. I think we would probably have to have some legislative authority. I have not talked to the Solicitor, and really I have been in no position to talk to the Solicitor up to now. And whether we would have that authority, whether it would take additional legislation or not, I think would be one of the first questions that you would have to answer.

Certainly, I think that we have to take a fresh look at managing water. And I know that there are a great many people that would be opposed to the exchange of Indian water off the reservation. There are some people that would favor it.

I think that we all have to sit down again, and this is one that ought to be negotiated if possible. It may require legislation before we get through.

Senator **Bradley**. So you think that you need additional legislation?

Mr. **Sayre**. Well, that is my personal opinion right now, and I think it is going to also require a big change in what people think. And I am not sure that that is going to come about very readily.

I think we have to spend a lot of time talking about it. And there may be conditions and limitations, it may be that we cannot do it at all, but we should look at it.

Senator **Bradley**. Are you familiar with the Boswell Farm properties in California?

Mr. **Sayre**. Only what I have read in the paper.

Senator **Bradley**. Well, what do you think of what you have read in the paper?

Mr. **Sayre**. Well, I guess, ultimately, it has been at least tentatively approved by the Interior. I think there are some additional matters that have to be taken into account.

Senator **Bradley**. But the question is really do you think that it is consistent with the Reclamation Reform Act, limiting the size of a farm to 960 acres? I mean do you think that the profit sharing arrangement, the elaborate operations agreement, et cetera, do you think that it is consistent with the——

Mr. **Sayre**. All I can say is that the Solicitor and the Department have evidently, it is my understanding have——

Senator **Bradley**. Changed his mind.

Mr. **Sayre**. Well, they changed their minds. Well, no, I do not think they did change their minds. They made them go back, as I understand, and change the way the beneficiaries were going to be involved in the matter.

Evidently it is all right with the Solicitor and the Department. And, of course, I would be bound by that decision.

Senator **Bradley**. So, do you think that the Congress should do anything if the Congress concluded, as you do, that this is inconsistent with the Reclamation Act?

Mr. **Sayre**. I do not say that it is inconsistent. I think I would have to, at the present time, say that I think it is consistent with the present Reclamation Reform Act. However, that is just my own personal opinion. And, of course, it is always the prerogative of Congress to revisit anything like that.

Senator **Bradley**. But you are aware that the Boswell Company transferred 23,000 acres, the Boston Ranch, into a new trust benefitting, in direct proportion to their salaries, some 200—you understand?

Mr. **Sayre**. That is what I understand.

Senator **Bradley**. And you believe that that arrangement is consistent?

Mr. **Sayre**. I am not the one to question the decision of the Solicitor. I am not now a lawyer, you know. I am a lawyer, but I am not a lawyer in my present position.

Senator **Bradley**. OK, well, this is your chance. On its face, would you not say that you think that it is possible that this arrangement might not be fully consistent? I mean, the facts are rather startling as you probably are aware.

Mr. **Sayre**. Well, the first thing is that the Boswell interests are rather startling to me. It is a lot of land and I think they were, in all sincerity, trying to work out some satisfactory solution to the problem.

They definitely, I guess, were in violation to start, and so this is the way they have deemed fit, and it has been approved, again, like I say, by the Solicitor, subject to finishing up some investigations. I guess I would have to support that position.

Senator **Bradley**. Mr. Underwood, do you have any thought about that?

Mr. **Underwood**. I think Mr. Sayre has said what the decisions are that have been made regarding the trust. I am not an attorney, he is. I like to practice law, when I am an engineer and I think, Mr. Sayre would probably like to practice engineering when he is an attorney.

Senator **Bradley**. Well, I would like to submit some questions to you, if I could, Mr. Sayre, as well.

Mr. **Sayre**. Certainly, I would be most happy to reply.

Senator **Bradley**. And then we can follow up with the responses to see if we need another discussion. But I think that would be very important.

I would like to have Senator McClure's and Senator Wallop's statement entered in the record at the appropriate place.

And I would say to other members that questions for the record should be in by noon tomorrow. And they should be delivered to Nancy Blush on the staff.

Let me say to Mr. O'Neal and to Mr. McVee that each of you have 30 seconds to tell the committee something to demonstrate that you have a voice.

Mr. O'Neal.

Mr. **O'Neal**. I have found your questioning of my constituents very enlightening, Mr. Chairman. And I am extremely happy that you were questioning them. [Laughter.]

Senator **Bradley**. Mr. McVee.

Mr. **McVee**. Yes, I am not disappointed, either, to any great extent, sir. But I am very interested in, of course, extending Federal/State cooperation in Alaska, and trying to smooth some of the land transfers. That is one of my great interests in the job as a Federal Cochairman.

Senator **Bradley**. OK. Well, let me thank both of you for your presence here today.

And let me say to Mr. Sayre and Mr. Underwood, the subcommittee is taking seriously the new balanced mission. We are very interested in the areas that we questioned you on today. There is much more to learn from each of you before any confirmation. So I would hope that you would be fully cooperative with the committee in promptly responding to the written questions that we will have for you.

And would either Senator Burns or Senator Garn like to add anything?

Senator **Garn**. I would like to make one comment, Mr. Chairman.

I hope we can expedite your confirmation as rapidly as possible to the floor, so you can get to work.

Second, I do not disagree with the chairman over taking a balanced approach on these. The disagreement will come on where the balance is. And I mean that very respectfully, because the mission has changed, and it should change. There is no doubt about it.

We have gone in this country from where we did not use to care what we built or where we built it or what we did with the land or air, to the other extreme sometimes, where you cannot build anything and you cannot do anything. And I do sincerely believe in a balanced viewpoint.

There are some who would shift that balance too far in the other direction. And we often do that in Congress. We tend to swing like a pendulum from one side to another. I do feel we need a more balanced approach.

In the past many decades, the Bureau of Reclamation were on one extreme in many cases; it will be my job to see that we try to achieve some balance between the environment and water resources, and not let that pendulum swing too far the other way, the way some groups would like it to do.

So you can count on me to try very hard to work for a balance some place in between those two extremes.

Senator **Bradley**. Senator Burns.

Senator **Burns**. I have no further comments.

Senator **Bradley**. Let me thank you very much for your cooperation today, and the committee is adjourned.

[Whereupon, at 3:36 p.m., the hearing was adjourned.]

APPENDIXES

APPENDIX I

Informational Statements of the Nominees

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES
STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: O'Neal (LAST) David (FIRST) Cortland (OTHER)

Position to which nominated: Assistant Secretary for Land & Minerals Management

Date of nomination: September 8, 1989

Date of birth: 24 (DAY) 1 (MONTH) 1937 (YEAR)

Place of birth: Belleville, Illinois

Marital status: married

Full name of spouse: Lonna O'Neal

Name and ages of children:

Allison Finley O'Neal	28
Kelly Erin (O'Neal) Collins	26

Education:

Institution	Dates attended	Degrees received	Dates of degrees
St. Louis College of Pharmacy	9/59-6/62	BS and BPh	6/62
McKendree College	9/55-6/57	no degree	
Belleville High School	9/51-6/55	High School Diploma	6/55

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

1. 11/88-present	Dept. of Labor Mine Safety & Health Admin. Arlington, VA	Assistant Secretary Agency Head
2. 10/87-11/88	Mine Safety & Health Admin. Arlington, VA	Deputy Ass't Sec'y Agency Head
3. 4/86-10/87	Dept. of Interior Bur. of Land Mgmt.	Deputy Administrator No. 2 position
4.*11/84-4/86	Augustines Convention Ctr. Belleville, IL	General Partner
5.*1/84-11/85	O'Neal Printing Chicago, IL	Owner/Operator Printing Firm
6. 12/82-1/84	Design Business Forms Chicago, IL	Apprenticeship Printing/Sales
7. 8/81-12/82	Aviation System Inter'l Elk Grove, IL	Executive Vice Pres. Sales
8. 1/76-8/81	State of Illinois Springfield, IL	Elected State Official Lt. Governor

*owned both 4 & 5 at same time

Employment record—Continued

9.	12/70-1/76	St. Clair County St. Clair County, IL	Elected Official Sheriff
10.	12/62-12/70	Westown Pharmacy Belleville, IL	Pharmacist
11.	6/62-12/62	Stiehl Drugs Belleville, IL	Pharmacist
12.	1959-1962	Attending college	
13.	1957-1959	U.S. Marine Corp San Diego, CA	Military Service Lance Corporal

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

same as above - Honorable Discharge

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

1971 - Distinguished Service Award - Belleville JC's

1975 - Outstanding Young Republicans of the United States

1977 - Pharmacist of the Year in Illinois

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
Jaycees	1961-1973	Board Member
Optimist Club	1985-1986	none
Elk's Club	1966-1976	none
Nat'l Rifle Assoc.	1973-1974	none
Boy Scouts of America	1946-1953 1963-1981	none as volunteer

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

none

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

   yes

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

   I have no plans.

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

   No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

   Not applicable - have not been appointed for fixed term

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

None - because my investments are my retirement.

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None to my knowledge

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None to my knowledge

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

In conduct of my official duties as an elected official, I did have contact with local State and Federal officials in the normal functioning of that office.

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

The method I pursue to resolve any potential conflict of interest or the appearance of a conflict of interest will be based on the advice I receive from the Department of the Interior's Designated Agency Ethics Official. Attached is a copy of the Designated Agency Ethics Official's opinion lette to the Office of Government Ethics concerning my reported financial interes

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

In the event that I am confronted by a situation that may result in, or create the appearance of a conflict of interest, I shall report the situation to and seek the advice of the Department of the Interior's Designated Agency Ethics Official.

Public disclosure: Do you have any objections to this form and the attachments thereto being made public?

No

District of Columbia

AFFIDAVIT

I, David O'Neal } ss, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete

(Signature of Nominee)

Subscribed and sworn to before me this 11 day of September, 1989

Elizabeth J Sherwood

Notary Public

My Commission Expires March 31, 1992

Form approved by the Committee February 5, 1985.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 11 1990

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

This letter will document the actions I intend to take to prevent any actual or apparent conflict of interest under the statutes and regulations that will apply to me as Assistant Secretary - Land & Minerals Management, U.S. Department of the Interior.

Upon confirmation as Assistant Secretary - Land & Minerals Management, I will dispose of my stock interest in Strata Corporation.

I have been advised by the Department of the Interior Deputy Agency Ethics and Audit Coordination Official that all of the other financial interests reported on my Financial Disclosure Report are in full compliance with the statutes and regulations that will be applicable to me as Assistant Secretary - Land & Minerals Management.

Thank you,

Sincerely,

Dave O'Neal

David C. O'Neal

United States Department of the Interior
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 11 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

The enclosed financial disclosure report filed by David C. O'Neal for the position of Assistant Secretary - Land & Minerals Management, has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions contained in 18 U.S.C. 201 - 209 and Executive Order 12674, the Assistant Secretary - Land & Minerals Management is also subject to five statutory prohibitions that apply to employees in our Department. These statutory prohibitions are: 18 U.S.C. 437; 30 U.S.C. 6; 30 U.S.C. 1211(f); 43 U.S.C. 11 and 43 U.S.C. 31(a). Except for 30 U.S.C. 1211(f), the provisions of each of these statutes are extended to the Assistant Secretary - Land & Minerals Management by Department of the Interior regulations in 43 CFR Part 20.735.

Mr. O'Neal and his brother are part owners of the Augustine Convention Center. Mr. O'Neal receives no income from this investment and he is not involved in the day-to-day management of the Convention Center. Mr. O'Neal has advised us that his Convention Center does not have any business dealings with the Department of the Interior.

Mr. O'Neal is a limited partner in Highland and Troy Properties. This partnership is in the business of investing in and managing apartment complexes, and it has no business dealings with the Department of the Interior. As a limited partner, Mr. O'Neal has no management involvement in this business venture.

Upon confirmation as Assistant Secretary - Land & Minerals Management, Mr. O'Neal will voluntarily dispose of his stock interest in Strata Corporation. This company is involved in oil and gas activities that are located on private lands as opposed to Federal lands. Therefore, Department regulations and statutes do not prohibit Mr. O'Neal, in the position of Assistant Secretary - Land and Minerals Management, from continuing his financial interest in Strata Corporation. As a precaution and to avoid any potential appearance of impropriety, Mr. O'Neal has indicated that he will voluntarily dispose of his stock holding in Strata Corporation upon his confirmation as Assistant Secretary.

Walto Associates, a partnership formed to purchase and manage apartment buildings, is presently defunct. The partnership distribution Mr. O'Neal reveals on his financial disclosure report is connected with the final settlement of this partnership.

Based on our review of the information provided, I have determined and certified that Mr. O'Neal is in compliance with the ethics statutes and regulations that apply to the position of Assistant Secretary - Land & Minerals Management. Should you have any questions concerning the financial disclosure report submitted by Mr. O'Neal, please call Gabriele J. Paone or Mason Tsai on 343-5916.

Thank you.

Sincerely,

Charles E. Kay

Charles E. Kay
Principal Deputy Assistant Secretary - Policy, Budget & Administration and Designated Agency Ethics Official

Enclosure

[illegible]
[illegible]
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. [illegible]

Page 1

Reporting Status (Check Approp ox)	☐ Incumbent	☒ New Entrant, Nominee, or Candidate ☐ Termination Filer	Agency Use Only	OGE Use Only
Reporting Individual's Na	Last Name O'Neal	First Name and Middle Initial David C.	Date of Appointment, Candidacy, Election or Nomination *(Mo., Day, Yr.)*	Termination Date *(If Applicable)* *(Month, Day, Year)*
Position for Which Filin	Title of Position Assistant Secretary of Interior for Land & Minerals Management	Department or Agency *(If Applicable)* Department of the Interior		
Location of Present Offi	Address *(Number, Street, City, State and ZIP Code)* 4015 Wilson Blvd. Arlington, VA 22203	Telephone No. *(Include Area Code)* (703) 235-1385		
Position(s) Held With the Federal Government During the Preceding Months *(If Not Same as Above)*	Title of Position(s) and Date(s) Held Assistant Secretary of Labor for Mine Safety and Health Administration			
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination Committee on Energy & Natural Resources	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No		
Certification I CERTIFY that the statements I made on this form and all attache schedules are true, complete and correct to the best of my knowled and belief.	Signature of Reporting Individual Dave O'Neal	Date *(Month, Day, Year)* 5-30-89		
Other Review (If desired by agency)	Signature of Other Reviewer Mason Isai	Date *(Month, Day, Year)* 9/11/89		
Agency Ethics Official's Opin The information contained in this report discloses no conflict of inte under applicable laws and regulati	Signature of Designated Agency Ethics Official/Reviewing Official X Charles E. Kay	Date *(Month, Day, Year)* 9/11/89		
Office of Government Ethics Use Only	Signature	Date *(Month, Day, Year)*		

Reporting Periods

Incumbents: Complete Schedules A, B, C, [illegible] of D. The reporting period is the preceding calendar [illegible] for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A (except for BLOCK D), C, and D. (Candidates do not file Part II of Schedule D.

- **Schedule A**—The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

Comments of Reviewing Officials onal space is required, use the reverse side of this sheet)

N[illegible]

(Check box if comments are continued on the reverse side) ☐

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278-110

NSN 7540-01-070-8444

SF 278 (Rev. 1/86)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name				
O'Neal, David C.	**Assets and Income**	Page Number	1	Schedule A

All Filers: In BLOCK A repo a) the identity of each asset held for th produc- tion of income at the close of the porting period which had a fair market lue ex- ceeding $1000 and (b) any o r asset or source of income which gene ed over $100 in income during the report period. This includes but is not limite to em- ployers, stocks, bonds, tax shel , bank accounts, real property, mutu funds, pensions, IRA assets, assets of certain trusts, commodities futures, pers al busi- nesses and partnership interests xclude your personal residence unless y rent it out. See instructions for rules bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

		BLOCK A Assets & Income Sour	**BLOCK B** Valuation of Assets							**BLOCK C** Income																	**BLOCK D** Transactions Test	
		Identify each asset and income rce of yours, your spouse(S) and r dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
Examples		X Y Z Common				X				X									X								X	
		Doe Jones & Smith, Hom n, USA			X											ptnrshp income									$50,000			
	1	Augustine Conventio tr. Belleville, Illinoi							X								X											
	2	Highland & Troy Pro ty Highland, IL (apt. plex)							X								X											
	3	IRA, First National nk Springfield, IL		X													X											
	4	Strata Corporation, restricted stock		X													X											
	5	Department of Inter Credit Union				X						X						X										
	6	Walto Associates various notes recei le**	X										X								X							
	7																											
	8																											
	9																											
	10																											

SF 278 (Rev. [illegible])
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name	O'Neal, David C.

Page Number	2	Schedule	B

Part I
Transactions

Incumbents and Terminatio ilers only: Report any purchase, sale or exchange by yc your spouse or dependent child during the reporting peric of any real property, stocks, bonds, commodities futures, ar other securities when the amount of the transaction exc ded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☒

S or DC		Identification of Assets	Type of Transaction (X): Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	Amount of Transaction (X): $1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000
	Example	X Y Z Common	X			2/1/83			X			
1		none										
2												
3												
4												
5												
6												

Part II
Gifts, Reimbursements nd Travel Expenses

Incumbents and Terminatic ilers only:
Report the source, a brief des ption and the value of: (1) in-kind gifts of transportation, ging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude gifts from relatives and exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☒

S		e (Name and Address)	Brief Description	Value
	Examples:	Nat'l Assn. of Rock Cc tors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
		Nat'l Assn. of Rock C tors, NY, NY	Leather briefcase for retiring president	$125
1		none		
2				
3				
4				
5				
6				

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FPM Chapter 734
U.S. Office of Personnel Management

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Form Approved
OMB No. 3209-0002

Page Number	3	Schedule C

Reporting Individual's Name
O'Neal, David C.

Part I
Liabilities

All Filers: Report liabilities o $10,000 owed to any one creditor at any time during the porting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X)				
						$10,001 to $15,000	$15,001 to $50,000	[illegible] to $100,000	[illegible],001 to [illegible]	Over $250,000
S or DC Examples	First District Bank, W ington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
	John Jones, 125 J S Washington, DC	Promissory note	1979	10%	on demand	X				
1	First National Bank of Belleville Belleville, IL.	mortgage on Augustine Convention Center, Belleville, IL.	1986	13%	1 yr					X
2	First National Bank of Belleville Belleville, IL.	industrial revenue bonds to finance Augustine Convention Ctr, Belleville, IL.	1985	11%	5 yrs.					X
3	Highland & Troy Pr perties Highland, IL (apt complexes)	mortgage on property	1985	11%	15 yrs.					X
4		mortgage on property	1985	11%	15yrs					X
5										
6										

Part II
Agreements Or Arrang ents

All Filers: Report your agre nts or arrangements for future employment, leaves of ab nce, continuation of payment by a former employer (inc ing severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☑

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partners greement, will receive capital account & partnership share ca ted on service performed through 11/83	Doe Jones & Smith, Hometown, USA	7/76 ptnership agmnt.
	none		

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SF 278 (Rev. 1/87)
FPM Chapter 735
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Page Number	4	Schedule D

Reporting Individual's Name

O'Neal, David C.

DEPT. OF THE INTERIOR

Part I
Positions Held Outsi U.S. Government

All Filers: Report any positi held during the applicable reporting period. Positions in de but are not limited to those of an officer, director, ustee, general partner, proprietor, representative, employee or consultant of any co poration, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock lectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, ometown, USA	Law firm	Partner	7/76	11/83
	Augustine Convent n Center, Belleville, Illinois	convention center	partner	11/84	present
	Walto Associates, elleville, Illinois	apartment complexes	partner	1972	1988

Part II
Compensation In Exc s Of $5000
Paid by One Source

Nominees and New Entrant nly: Report sources of such compensation received by yo your business affiliation for services directly provided by during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smit metown, USA	Legal services
	Metro University (c of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	none	

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UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: SAYRE (LAST) JOHN (FIRST) MARSHALL (OTHER)

Position to which nominated: Assistant Secretary of The Interior for Water & Science

Date of nomination:

Date of birth: 9 (DAY) November (MONTH) 21 (YEAR)

Place of birth: Boulder, Colorado

Marital status: Married

Full name of spouse: Jean Miller Sayre

Name and ages of children:
Henry M. Sayre, II - 41
Charles Franklin Sayre - 40
John M. Sayre, Jr. - 37
Ann Sayre Taggart, deceased (1984)

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Colorado	1939-1943	A.B.	1943
University of Colorado	1946-1948	J.D.	1948

Employment record: List below all positions held since college including the title and description of job name of employer location and dates

See Attachment #1

Employment record—Continued

Military service: Describe any military service not listed above, including dates, rank, and type of discharge

See Above.

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Purple Heart from U.S. Navy (1944); Phi Beta Kappa; Pi Gamma Mu; Wayne N. Aspinall Water Leader of the Year (1989) from Colorado Water Congress; Fellow of the American Bar Foundation; Fellow of Colorado Bar Foundation; Who's Who in American Law; Who's Who in the West; Who's Who in the World; Who's Who in America

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
National Water Resources Assn.	1960 to Date	Director 198-Da President 1984-198
Colorado Water Congress	1959 to Date	Director 1984-Date
Colorado Assn. of Commerce & Industry	1978 to Date	Director
Boulder County Bar Assn.	1950 to Date	President (1959)
Board of School Dist. No. 3, Boulder, CO	1951 to 1957	Director
Home Savings & Loan Assn.	1960 to 1969	Director

(Continued on Attachment #2)

Published writings:

List the titles, publishers and dates of any books, articles, or reports you have written.

"The Windy Gap Project: A Case Study" Natural Resources Law Center, University of Colorado Law School, June, 1982

"A Tribute to a Great Lawyer", Water and The American West, Natural Resources Law Center, University of Colorado Law School, 1988

Future employment relationships:

1. **Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?**

Yes

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

No.

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No.

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

N/A

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No.

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

Retirement pay computed according to Davis, Graham & Stubbs Partnership Agreement - approximately $39,000.00 per year.

3. Are you currently a party to any legal action? If so, describe its nature and status

No.

4. Have you ever declared bankruptcy? If so, describe the circumstances

No.

5. Have you filed a Federal income tax return for each of the last 10 years? If not please explain

Yes.

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

Yes - denied a bad debt write-off in 1966 and paid deficiency. Audited in 1967 and received small refund. Audited medical and interest expense one year during 1970's and accepted as filed.

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

a) As principal counsel for Northern Colorado Water Conservancy District (1964-1985) and its Municipal Subdistrict (1970-1985), I dealt with Department of the Interior, particularly the Bureau of Reclamation.

b) I have rendered legal services to Resource Conservatio Group, Inc. (formerly Western Water Resources) which included discussions with Department of the Interior, particularly the United States Bureau of Reclamation regarding water availability and records for possible marketing of Colorado River water.

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

See Attachment #3

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5 Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts

I will remove the conflict, or any perception thereof, by following the direction and advice given by the appropriate Agency Ethics.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

I would remove the conflict after receiving advice from the appropriate government officials or recuse myself from any involvement in the matter.

Public disclosure: Do you have any objections to this form and the attachments thereto being made public?

No.

State of Colorado
City and County of Denver
) ss

AFFIDAVIT

I, John M. Sayre being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete

(Signature of Nominee)

Subscribed and sworn to before me this 31st day of August 1989.

Notary Public

My commission expires 11/10/91.

Form approved by the Committee February 5, 1985.

U.S. GOVERNMENT PRINTING OFFICE: 1987—67-674

Attachment #1

Employment Record:

Midshipmen, United Stated Naval Reserve, Chicago, Illinois (4/43 to 8/43)

Ensign, United States Naval Reserve, various duty stations, 8/43 - 5/46. Retired for medical disability as Lieutenant, (j.g.), United States Naval Reserve (5/1/46)

Law Clerk, Denver National Bank, Denver, CO (9/48 to 6/49)

Assistant Cashier & Trust Officer, National State Bank of Boulder, CO (6/49 to 8/50)

Private Law Practice, Boulder, CO (8/50 to 2/52)

Partner, firm of Ryan, Sayre, Martin & Brotzman (2/52 to 3/66)

City Attorney, Boulder, CO (remained a partner of Ryan, Sayre, Martin & Brotzman) (1/52 to 8/55)

General Counsel, Colorado Municipal League, Boulder, CO (1956 to 1963) (remained a partner of Ryan, Sayre, Martin & Brotzman)

Partner, firm of Davis, Graham & Stubbs, Denver, CO (3/66 to Date)

Principal counsel to Northern Colorado Water Conservancy District, Loveland, CO (10/64 to 2/87) (remained as partner of Davis, Graham & Stubbs)

Principal counsel to Municipal Subdistrict, Northern Colorado Water Conservancy District, Loveland, CO (1966 to 2/87) (remained as partner of Davis, Graham & Stubbs)

Legal counsel to and Director of Colorado Association of Commerce and Industry, Denver, CO (10/78 to Date) (remained as partner of Davis, Graham & Stubbs)

Attachment #2

Memberships:

Organization	Date	Office Held
American Bar Association	1953 to Date	
Colorado Bar Association	1950 to Date	
Denver Bar Association	1966 to Date	
Boulder Bar Association	1950 to Date	
American Judicature Society	Approx. 1968 to Date	
Fellow of American Bar Assn.	1986 to Date	
Fellow of Colorado Bar Assn.	Approx. 1984 to Date	
American Water Works Assn.	Approx. 1980 to Date	
U.S. Committee on Irrigation & Drainage	Approx. 1980 to Date	
Blueprint for Colorado	1986 to Date	
The Denver Club	1969 to Date	
The Denver Country Club	1979 to Date	
The Denver Petroleum Club	1968 to 1989	
The Mile High Club	1983 to Date	
Denver Symphony Assn.	1986 to Date	
Denver Museum of Natural History	1986 to Date	
Denver Art Museum	1970 to Date	
Directors Club, University of Colorado	1975 to Date	
Law Alumni Board of University of Colorado Law School	1987 to 1992	Director
Phi Gamma Delta	1940 to Date	
Columbia Lodge No. 14 AF & AM	1952 to Date	
Boulder Country Club	1951 to 1975	
Boy Scouts of America	Approx. 1952 to 1954	Chairman, Arapahoe Dist.
Boulder Lions Club	1952 to 1960	
Boulder Elks Club	1951 to Approx. 1965	

Attachment #3

Potential Conflicts of Interest:

3. In 1977, I, along with others, worked with Congress on the exemption of irrigation ditches from Sec. 404 of the Clean Water Act. I also have participated in discussions on the 101(g) provisions of the Clean Water Act.

I have participated in commenting upon and participating in conferences on the provisions of the Reclamation Reform Act of 1982 and the regulations promulgated thereunder.

As a member of the Board of Directors and President of the National Water Resources Assn. (1984 to 1986), I was active in preparation of statements to Congress on numerous water issues affecting Western water users.

As a Colorado water attorney, I was a registered lobbyist in Colorado until 1985 for the Northern Colorado Water Conservancy District and its Municipal Subdistrict on water related matters and the firm of Davis, Graham & Stubbs is registered to lobby before the Senate and the House of Representatives.

INDEX OF PUBLISHED OPINIONS IN WHICH
JOHN M. SAYRE, COUNSEL
APPEARED BEFORE THE COURTS OF THE STATE OF COLORADO AND THE UNITED STATES OF AMERICA

1. M. M. Rinn v. City of Boulder, 131 Colo. 243; 280 P.2d 1111 (Colo. S. Ct.), Decided March 14, 1955

2. Virginia W. Hill, et al. v. District Court of the Eighth Judicial District, 134 Colo. 369; 304 P.2d 888 (Colo. S. Ct.), Decided December 10, 1956

3. City of Canon City v. Clyde James Merris, 137 Colo. 169; 323 P.2d 614 (Colo. S. Ct.), Decided March 17, 1958

4. In Re Senate Bill No. 72 of the Forty-Second General Assembly of the State of Colorado, 139 Colo. 371; 339 P.2d 501 (Colo. S. Ct.), Decided May 21, 1959

5. Shirley M. Burks, et al. v. City of Lafayette, et al., 142 Colo. 61; 349 P.2d 692 (Colo. S. Ct.), Decided February 29, 1960

6. In Re Interrogatories of the Governor Concerning Senate Bill No. 34 of the Second Regular Session of the Forty Second General Assembly, 142 Colo. 188; 360 P.2d 811 (Colo. S. Ct.), Decided March 17, 1960

7. Roger Fellhauer v. People of the State of Colorado, et al., 167 Colo. 320; 447 P.2d 986 (Colo. S. Ct.), Decided November 25, 1968

8. Anthony P. Aranci v. North Weld County Water District, a Statutory Water District, and Northern Colorado Water Conservancy District, 175 Colo. 1; 485 P.2d 884 (Colo. S. Ct.), Decided May 24, 1971

9. City and County of Denver, a municipal corporation, acting by and through its Board of Water Commissioners, and Adolph Coors Company, a Colorado corporation v. The Fulton Irrigating Ditch Company, et al., 179 Colo. 47; 506 P.2d 144 (Colo. S. Ct.), Decided June 19, 1972

10. Orchard Mesa Irrigation District v. City and County of Denver, acting by and through its Board of Water Commissioners, and the Northern Colorado Water Conservancy District, 182 Colo. 59; 511 P.2d 25 (Colo. S. Ct.), Decided June 11, 1973

11. Victor L. Jacobucci, et al. v. The District Court in and for the County of Jefferson, et al., 189 Colo. 380; 541 P.2d 667 (Colo. S. Ct.), Decided September 29, 1975

12. In the Matter of the Application for Water Rights of Mills E. Bunger, in the Gunnison River and its Tributaries, in Gunnison County v. The Uncompahgre Valley Water Users Association, et al., 192 Colo. 159; 557 P.2d 389 (Colo. S. Ct.), Decided November 22, 1976

13. Colorado River Water Conservation District v. United States of America; et al., 593 F.2d 907 (10th Cir.), Decided July 18, 1977

14. City of Thornton, Colorado, a Municipal Corporation of the State of Colorado, acting by and through its Utilities Board v. The Farmers Reservoir and Irrigation Company, a mutual ditch company organized pursuant to the corporation laws of the State of Colorado; et al., 194 Colo. 526; 575 P.2d 382 (Colo. S. Ct.), Decided February 6, 1978

15. Southeastern Colorado Water Conservancy District, et al. v. John Huston, et al., 197 Colo. 365; 593 P.2d 1347 (Colo. S. Ct.), Decided April 16, 1979

16. Colorado River Water Conservation District v. Municipal Subdistrict, Northern Colorado Water Conservancy District, 198 Colo. 352; 610 P.2d 81 (Colo. S. Ct.), Decided September 17, 1979

17. United States of America v. Northern Colorado Water Conservancy District, et al., 608 F.2d 422 (10th Cir.), Decided October 29, 1979

18. In the Matter of the Claims for Water Rights Filed by the United States of America in Water Division No. 1, 198 Colo. 492; 602 P.2d 859 (Colo. S. Ct.), Decided November 13, 1979

19. The Northern Colorado Water Conservancy District and its Municipal Subdistrict; and the City and County of Denver v. The Board of County Commissioners of the County of Grand; et al., 482 F. Supp. 1115; 10 ELR 20410, Decided January 15, 1980

20. The Town of De Beque v. Lee R. Enewold, Division Engineer of Water Division No. 5, State of Colorado; et al., 199 Colo. 110; 606 P.2d 48 (Colo. S. Ct.), Decided January 21, 1980

21. Gerald E. Welsh v. Robert J. Levy, 200 Colo. 36; 612 P.2d 80 (Colo. S. Ct.), Decided June 2, 1980

22. The Riverside Irrigation District and Public Service Company of Colorado, a Colorado corporation, et al. v. Colonel V. D. Stipo, in his official capacity as District Engineer of the United States Army Corp. of Engineers, Omaha District; et al., 685 F.2d 762 (10th Cir.), Decided September 2, 1981

23. City and County of Denver, a municipal corporation of the State of Colorado, et al. v. Thomas Eggert, Charles Pitts, and John Nicholl, in their official capacities as members and commissioners of the Board of County Commissioners of the County of Arapahoe, et al., 647 P.2d 216 (Colo. S. Ct.), Decided June 21, 1982

24. City and County of Denver, acting by and through its Board of Water Commissioners, et al. v. United States of America, et al., 656 P.2d 36 (Colo. S. Ct.), Decided November 29, 1982

25. State of Colorado, Department of Natural Resources, Division of Water Resources, State Engineer, et al. v. Southwestern Colorado Water Conservation District, et al., 671 P.2d 1294, Decided July 18, 1983

26. Concerning the Application for Water Rights of the Town of Estes Park in Larimer County, in the South Platte River and its Tributaries v. Northern Colorado Water Conservancy District, et al., 677 P.2d 320 (Colo. S. Ct.), Decided February 6, 1984

27. Taxpayers for the Animas-La Plata Referendum, et al. v. Animas-La Plata Water Conservancy District, et al., 739 F.2d 1472 (10th Cir.), Decided July 11, 1984

28. In the Matter of the Adjudication of Priorities to the Right to the Use of Water for All Beneficial Purposes in Water District No. 36, et al.; City and County of Denver, acting by and through its Board of Water Commissioners v. Colorado River Water Conservation District, et al., 696 P.2d 730 (Colo. S. Ct.), Decided January 21, 1985

29. Riverside Irrigation District and Public Service Company of Colorado; et al. v. Colonel William R. Andrews, Jr., in his official capacity as District Engineer of the U.S. Army Corps of Engineers, Omaha District; et al., 758 F.2d 508; 15 ELR 20333 (10th Cir.), Decided March 26, 1985

30. Sierra Club v. John Block, et al., 622 F. Supp. 842; 16 ELR 20177, Decided November 25, 1985

31. United States of America v. Orlyn Bell, Water Division No. 5 Engineer; et al., 724 P.2d 631 (Colo. S. Ct.), Decided August 25, 1986

32. Municipal Subdistrict, Northern Colorado Water Conservancy District v. Rifle Ski Corporation, et al., 726 P.2d 635 (Colo. S. Ct.), Decided September 8, 1986

33. Sierra Club v. Lyng, et al., and Colorado Water Congress, et al., 661 F. Supp. 1490; U.S. Dist. Ct., Decided June 3, 1987

34. The United States of America v. Robert W. Jesse, Water Division No. 2 Engineer; et al., 744 P.2d 491; 18 ELR 20275 (Colo. S. Ct.), Decided October 13, 1987

35. Zigan Sand and Gravel, Inc. v. Cache La Poudre Water Users Association; et al., 758 P.2d 175 (Colo. S. Ct.), Decided May 23, 1988

United States Department of the Interior
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

AUG 1 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

The enclosed financial disclosure report filed by John M. Sayre for the position of Assistant Secretary - Water and Science for the Department of the Interior has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions contained in 18 U.S.C. 201 - 209 and Executive Order 12674, the Assistant Secretary - Water and Science is also subject to five statutory prohibitions that apply to employees in our Department. These statutory prohibitions are: 18 U.S.C. 437; 30 U.S.C. 6; 30 U.S.C. 1211(f); 43 U.S.C. 11 and 43 U.S.C. 31(a). Except for 30 U.S.C. 1211(f), the provisions of each of these statutes are extended to the Assistant Secretary - Water and Science by Department of the Interior regulations in 43 CFR Part 20.735.

Upon confirmation as Assistant Secretary - Water and Science, Mr. Sayre will retire from his law firm. To prevent any potential appearance of impropriety, Mr. Sayre will voluntarily recuse himself for one year from becoming involved in particular matters that involve his law firm or the firm's clients as reported in Part II, Schedule D of his July 3, 1989 financial disclosure report. Mr. Sayre's recusal will not extend to rulemaking, legislation or the formulation of general policy matters.

Upon retirement from his law firm, Mr. Sayre will be entitled under his partnership agreement to receive his interest in the firm's capital account. At present, Mr. Sayre's capital account is reported to be approximately $81,430. Mr. Sayre will not receive any severance pay but is expected to receive retirement pay amounting to approximately $39,000 annually from his law firm. This retirement pay is vested as it is not tied to the performance of Mr. Sayre's law firm.

Mr. Sayre plans to continue as a participant in the health insurance plan offered by his law firm. Upon separation from his law firm, Mr. Sayre will pay all premiums to continue his coverage in this health insurance plan.

Mr. Sayre is also a participant in two retirement plans offered by his law firm. They are identified as the Davis Graham & Stubbs Money Purchase Pension Plan (Mandatory Fund) and the Davis Graham & Stubbs Voluntary Section 401 Plan. All contributions to these retirement plans were made by Mr. Sayre. The portfolio of the Money Purchase Pension Plan is widely diversified and independently managed. With reference to the Voluntary Section 401 Plan, Mr. Sayre, under the options offered by the plan, has directed all his contributions under this plan into savings accounts and certificates of deposit of various financial institutions.

Mr. Sayre has reported that he holds an interest in three limited partnerships which hold Federal oil and gas leases administered by the Department of the Interior. Mr. Sayre's interest in each of these partnerships is currently valued at less than $1,000 and his annual income from each partnership is less than $100. Upon confirmation as Assistant Secretary - Water and Science, Mr. Sayre will dispose of his interest in all three limited partnerships.

Mr. Sayre holds a 1/19th percent interest in the First Avenue Investment Club. Mrs. Sayre holds a 1/15 percent interest in the P & G Investment Club and a 1/15 percent interest in the 1015 Investment Club. The investment portfolio of each of these three investment clubs contains stock in companies representing a wide range of industries. Mr. Sayer is not a part of the committee that makes decisions concerning the club's investments, and recommendations on investments are made by an independent licensed broker. Therefore, a financial interest in these three investment clubs is not considered a prohibited interest for Mr. Sayre in the position of Assistant Secretary - Water and Science.

Upon confirmation as Assistant Secretary - Water and Science, Mr. Sayre will resign his position with the three organizations listed below:

Colorado Association of Commerce & Industry
National Water Resources Association
Colorado Water Congress

Mr. Sayre reports that his wife holds stock in Citizens Utilities, Incorporated. This Company is in the business of furnishing electric, gas, telephone and water to customers in ten states. In doing this, Citizens Utilities Company has been reported to be involved in matters of interest to the Department's Bureau of Reclamation. Because Citizens Utilities Company is in the water business, it is possible that this company will have business dealings with this Department in the future. As a precaution against violation of the provisions of 18 U.S.C. 208 or Executive Order 12674, Mr. Sayre, upon confirmation as Assistant Secretary - Water and Science, has agreed to disqualify himself from all particular matters that may come before him that deal with Citizens Utilities, Incorporated.

Based on our review of the information provided, I have determined and certified that Mr. Sayre is in compliance with the ethics statutes and regulations which apply to the position of Assistant Secretary - Water and Science. Should you have any questions concerning the report submitted by Mr. Sayre, please call Mason Tsai on 343-5916.

Thank you.

Sincerely,

Charles E. Kay

Charles E. Kay
Principal Deputy Assistant Secretary - Policy, Budget & Administration and
Designated Agency Ethics Official

DAVIS GRAHAM & STUBBS
ATTORNEYS AT LAW

WASHINGTON, D.C. OFFICE
SUITE 500
1200 NINETEENTH STREET, N.W.
WASHINGTON, D.C. 20036-2402
TELEPHONE 202 822-[illegible]

SUITE 4700
370 SEVENTEENTH STREET
DENVER, COLORADO 80202
MAILING ADDRESS
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DENVER, COLORADO 80201-0185
TELEPHONE 303 892-9400
TELECOPIER 303 893-1379
TELEX [illegible] DGS [illegible]
CABLE DAVGRAM, DENVER

SALT LAKE CITY OFFICE
SUITE 1600
EAGLE GATE TOWER
60 EAST SOUTH TEMPLE
SALT LAKE CITY, UTAH [illegible]
TELEPHONE 801 [illegible]

JOHN M. SAYRE
892-[illegible]

July 28, 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P. O. Box 14108
Washington, D.C. 20044

Dear Judge Nebeker:

This letter will document the actions I intend to take to prevent any actual or apparent conflict of interest under the statutes and regulations that will apply to me as Assistant Secretary - Water and Science for the Department of the Interior.

Upon confirmation as Assistant Secretary - Water and Science, I will retire from my law firm and I will recuse myself for one year from becoming involved in particular matters that involve my law firm or the firm's clients as listed in Part II, Schedule D (Page 6) of my financial disclosure report dated July 3, 1989. My recusal will not extend to rulemaking, legislation or the formulation of general policy matters.

Upon confirmation as Assistant Secretary - Water and Science, I will dispose of my financial interest in three limited partnerships which hold Federal oil and gas leases administered by the Department of the Interior. These three limited partnerships are described as Inantea II, Inantea III and Inantea IV.

Upon confirmation as Assistant Secretary - Water & Science, I will resign my position with the Colorado Association of Commerce & Industry, the National Water Resources Association and the Colorado Water Congress.

My wife holds a stock interest in Citizens Utilities Company, and I have been informed that this company has and continues to be involved in matters dealing with the Department of the Interior's Bureau of Reclamation. As a precaution against violation of the provisions of 18 U.S.C. 208 and Executive Order 12674, I will, upon confirmation as Assistant Secretary - Water and Science, voluntarily recuse myself from all particular matters that may come before me that deal with Citizens Utilities Company.

I have been advised by the Department of the Interior Ethics Program Coordinator that all of the other financial interests reported on my Financial Disclosure Report are in full compliance with the statutes and regulations that will be applicable to me as Assistant Secretary - Water and Science.

Thank you.

Very truly yours,

John M. Sayre

JMS:mg

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. [illegible]

Page 1

Reporting Status *(Check Appropriate Box)*

☐ Incumbent ☒ New Entrant, Nominee, or Candidate ☐ Termination Filer

Agency Use Only

OGE Use Only

Date of Appointment, Candidacy, Election or Nomination *(Mo., Day, Yr.)*

Termination Date *(If Applicable)* *(Month, Day, Year)*

Reporting Individual's Name	Last Name SAYRE	First Name and Middle Initial JOHN M.
Position for Which Filing	Title of Position ASST. SECRETARY FOR WATER & SCIENCE	Department or Agency *(If Applicable)* DEPARTMENT OF INTERIOR
Location of Present Office	Address *(Number, Street, City, State and ZIP Code)* 370 - 17th St., SUITE 4700, DENVER, CO 80202	Telephone No. *(Include Area Code)* (303) 892-9400
Position(s) Held With the Federal Government During the Preceding 12 Months *(If Not Same as Above)*	Title of Position(s) and Date(s) Held NONE	
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination COMMITTEE ON ENERGY AND NATURAL RESOURCES	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No
Certification I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual John M. Sayre	Date *(Month, Day, Year)* July 3, 1989
Other Review (If desired by agency)	Signature of Other Reviewer Mason Tsai	Date *(Month, Day, Year)* 7/31/89
Agency Ethics Official's Opinion The information contained in this report discloses no conflict of interest under applicable laws and regulations	Signature of Designated Agency Ethics Official/Reviewing Official	Date *(Month, Day, Year)* 8/1/89
Office of Government Ethics Use Only	Signature	Date *(Month, Day, Year)*

Comments of Reviewing Officials *(If additional space is required, use the reverse side of this sheet)*

(Check box if comments are continued on the reverse side) ☐

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A (except for BLOCK D), C, and D. (Candidates do not file Part II of Schedule D.

- **Schedule A**—The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.

278-110

NSN 7540-01-070-8444

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name		Page Number		Schedule
JOHN M. SAYRE	**Assets and Income**		2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 received from the assets and other sources of income listed in BLOCK A. You must report the actual amount of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources		BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐		Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)										If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC		None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
Example:	X Y Z Common				X				X									X						—		X	
	Doe Jones & Smith, Hometown, USA			X											ptnrshp income									$60,000			
1	DAVIS, GRAHAM & STUBBS, DENVER, CO. (Law Firm)					X									PTNRSHP INCOME									$212,446 (1988) $50,000 (1989 to 6/30)			
2	DAVIS, GRAHAM & STUBBS MANDATORY FUND						X		INCOME IS DEFERRED											X							
3	DAVIS, GRAHAM & STUBBS VOLUNTARY SEC. 401 PLAN							X	INCOME IS DEFERRED												X						
4	DAVIS, GRAHAM & STUBBS CAPITAL ACCOUNT					X					X									X							
5	FIRST AVENUE INVESTMENT CLUB DENVER, CO.			X					X		X	X					X										
6	BOSTON CAPITAL APPRECIATION FUND (IRA), BOSTON, MA.				X				INCOME IS DEFERRED															UNKNOWN - WITHDRAW BEGINNING 70 1/2			
7	U.S. GOVERNMENT - U.S. NAVY, WASHINGTON, D.C.														DISABILITY RETIREMENT PAY									$9,300			
8	NATIONAL SERVICE LIFE INS. WASHINGTON, D.C.			X												X											
9	CONN. MUTUAL LIFE INS. HARTFORD, CT.		X													X											
10	CONN. MUTUAL LIFE INS. HARTFORD, CT.		X													X											

SF 278 (Rev. 1/85)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0002

Reporting Individual's Name				
JOHN M. SAYRE	**Assets and Income**	Page Number	3	**Schedule A**

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

BLOCK A Assets & Income Sources			**BLOCK B** Valuation of Assets							**BLOCK C** Income																	**BLOCK D** Transactions Test	
Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐			Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
	Examples	X Y Z Common				x				x									x								x	
		Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
	1	CONN. MUTUAL LIFE INS. HARTFORD, CT.		X													X											
	2	CONN. MUTUAL LIFE INS. HARTFORD, CT.		X													X											
	3	CONN. MUTUAL LIFE INS. HARTFORD, CT.		X													X											
	4	CONN. GENERAL LIFE INS. HARTFORD, CT.				X											X											
	5	JOHN HANCOCK MUTUAL LIFE INS. BOSTON, MA.		X													X											
	6	HOME LIFE INS. NEW YORK, NEW YORK			X							X						X										
	7	ACACIA MUTUAL LIFE INS. WASHINGTON, D.C.		X													X											
	8	NORTHWESTERN MUTUAL LIFE MILWAUKEE, WI.			X												X											
J	9	CAPITOL FEDERAL SAVINGS DENVER, CO. (Savings Acct.)		X								X						X										
S	10	COCA COLA CO., COMMON		X						X								X										

NSN 7540-01-070-8010

SF 278 (Rev 1/85)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name: JOHN M. SAYRE

Assets and Income

Page Number: 4

Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it o... See instructions for rules on bank a...unts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, [illegible], bonds, commodities [illegible] and other securities listed [illegible]LOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000? ▼

		BLOCK A Assets & Income Sources	BLOCK B Valuation of Assets							BLOCK C Income																	BLOCK D Transactions Test	
		Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)						Other (Specify Type)	Category of Amount of Income (X)								Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	If yes, complete Schd. B Part I for those assets including those sold for a loss.	
	S or DC		None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust		None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000			YES	NO
Example:		X Y Z Common				x				x									x								x	
		Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
1	S	MARION LABS, COMMON		X						X							X											
2	S	COLUMBIA PICTURES, COMMON		X						X							X											
3		CITIZENS UTILITIES, CLASS A		X						X								X										
4	S	MYLAN DRUG, COMMON		X						X							X											
5	S	BANK WESTERN SAVINGS, DENVER, CO		X								X						X										
6	S	BOSTON CAPITAL APPRECIATION FUND (IRA) BOSTON, MA			X					INCOME IS DEFERRED															UNKNOWN WITHDRAW	BEGINNING	70 1/2	
7	S	P & G INVESTMENT CLUB BOULDER, CO		X						X		X	X				X											
8	S	1015 INVESTMENT CLUB DENVER, CO			X					X		X	X					X										
9																												
10																												

SF 278 (Rev. [illegible])
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U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name: JOHN M. SAYRE

Page Number: 5

Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

S or DC		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
	Examples:	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
		John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1		COLORADO NATIONAL BANK, DENVER, CO	REVOLVING LINE OF CREDIT FOR $25,000	1985	2% above PRIME	YR to YR		X			
2		CHASE ADVANTAGE CREDIT WILMINGTON, DE 19850	REVOLVING LINE OF CREDIT FOR $11,500	Unknown	19%	No Term	X				
3		CONNECTICUT GENERAL LIFE INS., HARTFORD, CT.	POLICY LOAN	1980	5%	No Due Date	X				
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example:	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/78 ptnrshp agrmt.
	Pursuant to partnership agreement, I will receive my capital account, partnership share for services until commencement of employment with Department of Interior and retirement benefits as per said agreement.	DAVIS, GRAHAM & STUBBS, Denver, CO	1/1/67 Partnership Agreement, as amended.

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Form Approved
OMB No. [illegible]

Reporting Individual's Name	JOHN M. SAYRE

Page Number	6	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/88
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/88
	DAVIS, GRAHAM & STUBBS, DENVER, CO.	LAW FIRM	PARTNER	3/65	PRESENT
	COLORADO ASSOCIATION OF COMMERCE & INDUSTRY, DENVER, CO.	NON-PROFIT ORGANIZATION	DIRECTOR & LEGAL COUNSEL	10/78	PRESENT
	NATIONAL WATER RESOURCES ASSOCIATION, WASHINGTON, D.C.	NON-PROFIT ORGANIZATION	COLORADO DIRECTOR	3/81	PRESENT
	COLORADO WATER CONGRESS, DENVER, CO	NON-PROFIT ORGANIZATION	DIRECTOR	2/85	PRESENT
	LAW ALUMNI BOARD OF UNIVERSITY OF COLORADO, BOULDER, CO	NON-PROFIT ORGANIZATION	DIRECTOR	4/87	4/92

Part II
Compensation In Excess Of $5000 Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	DAVIS, GRAHAM & STUBBS, DENVER, CO.	PARTNER IN LAW FIRM RENDERING LEGAL SERVICES.
	NORTHERN COLORADO WATER CONSERVANCY DISTRICT and its MUNICIPAL SUBDISTRICT	LEGAL SERVICES AS REQUESTED - FIRM IS GENERAL COUNSEL FOR ENTITIES
	RESOURCE CONSERVATION GROUP, GOLDEN, CO	LEGAL SERVICES IN CONNECTION WITH POSSIBLE MARKETING OF WATER IN UPPER COLORADO RIVER BASIN TO LOWER BASIN ENTITIES SUCH AS SAN DIEGO, CALIFORNIA
	NATIONAL FARMS, INC. & NATIONAL HOG FARMS, INC. KANSAS CITY, MO.	LEGAL SERVICES IN OBTAINING WATER RIGHTS AND LEASE ON STATE LANDS FOR HOG OPERATION.
	WATER RIGHTS ASSET MANAGEMENT CO., WESTMINSTER, CO. a/k/a RANEGRAS PARTNERSHIP	LEGAL SERVICES IN CONNECTION WITH ACQUISITION OF ARIZONA GROUNDWATER FARM.
	PYROPOWER CORPORATION, SAN DIEGO, CA. 92122	LEGAL SERVICES IN CONNECTION WITH CONTRACT REVIEW RELATING TO CLAIMS ON BOILER INSTALLATION.

PREVIOUS EDITION USABLE

[illegible]

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Underwood (LAST) Dennis (FIRST) (OTHER)

Position to which nominated: Commissioner, Bureau of Reclamation Date of nomination: September 6, 1989

Date of birth: ·14-12-44 (DAY) (MONTH) (YEAR) Place of birth: Greenfield, Massachusetts

Marital status: Married Full name of spouse: Sally Ann Underwood

Name and ages of children

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Norwich University	1962-1966	BSCE	June 5, 1966

Employment record: List below all positions held since college, including the title and description of job, name of employer, location, and dates.

May 1978 - Present	Colorado River Board of California, Los Angeles
Sept. 1969-May 1978	California Dept. of Water Resources, Los Angeles
1975	Consultant (Part time) Food and Agriculture Organization of the United Nations
Sept. 1967-June 1969	U.S. Army Corps of Engineers
	New England Division, Waltham, Mass.
	44th Engineers Group, Thailand
August 1966-May 1967	California Dept. of Water Resources, Los Angeles

See attached resume for titles and job descriptions.

Employment record—Continued

Military service: **Describe any military service not listed above, including dates, rank, and type of discharge.**

United States Army, Corps of Engineers

June 1967 to November 1977 (includes inactive reserve service)

Highest Rank: Captain

Honorable Discharge

Honors and awards: **List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.**

National Defense Service Medal

Vietnam Service Medal

Vietnam Campaign Medal

Army Commendation Medal

Memberships: **List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.**

Organization	Dates	Office held (if any)
Boy Scouts of America Order of the Arrow	1955 - 1962	
Norwich University Honor Comm.	1965 - 1966	
American Society of Civil Eng.	Periodically since 1962	
American Society of Military Engineers	1962 - uncertain as to date	
Colorado River Water Users Association	1978 -	
Six Agency Committee	1978 -	Secretary
Colorado River Association-Six Agency Committee	1978 -	Secretary

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

See attached listing.

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

YES

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

NO

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

NO

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

NO

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

Future benefits - Retirement

State of California, Public Employees' Retirement System

3. Are you currently a party to any legal action? If so, describe its nature and status.

NO

4. Have you ever declared bankruptcy? If so, describe the circumstances.

NO

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

YES

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

NO

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

NONE

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

As a State official (the Executive Director and Executive Secretary of the Colorado River Board of California), I have represented, in dealings with federal agencies, California's position on a wide variety of matters related to the Colorado River.

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

I have, as a State official, represented California's position on various federal, state, and local legislative and administrative actions.

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

YES

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

The method I pursue to resolve any potential conflict of interest or the appearance of a conflict of interest will be based on the advice I receive from the Department of the Interior's designated agency ethics official.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

In the event that I am confronted by a situation that may result in, or create an appearance of a conflict of interest, I shall report the situation to and seek the advice of the Department of the Interior's designated agency ethics official.

Public disclosure: Do you have any objections to this form and the attachments thereto being made public?

NO

County of Los Angeles
State of California
) ss

AFFIDAVIT

I, Dennis B. Underwood, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Dennis B. Underwood
(Signature of Nominee)

Subscribed and sworn to before me this 12th day of September , 1989

Sharon E Martin
Notary Public
Sharon E. Martin

OFFICIAL SEAL
SHARON E. MARTIN
NOTARY PUBLIC CALIFORNIA
PRINCIPAL OFFICE IN
LOS ANGELES COUNTY
My Commission Exp. Feb. 22, 1993

Form approved by the Committee February 5, 1985,

ATTACHMENT

Published writings

Authored and/or co-authored the following:

Colorado River Board of California

Chief Engineer's and Executive Director's Monthly Report to the Colorado River Board of California, 1978-1989

Minutes of Colorado River Board of California Meetings, 1978-1989

Letter reports, memoranda, and hearing testimony on Colorado River matters, 1978-1989

California State Department of Water Resources

Water Action Plan for the South Coastal Area, 1981

Updated Hydrologic Conditions in the Bunker Hill-San Timoteo Area, 1978

South Coastal Area Water Demand and Supply Appraisal Calendar Years 1975, 1976, 1977 (drought impact analysis) 1977

Water Quality Control Plan, South Lahontan Basin, 1974

Water Quality Control Plan, East Colorado River Basin, 1974

Water Quality Control Plan, West Colorado River Basin, 1974

Preliminary Report on San Luis Obispo and Santa Barbara Counties, Central Coastal Planning Basin, July 1972 (Water Quality Control Plan)

Preliminary Report on Ventura and Los Angeles Counties, Santa Clara River Planning Basin, July 1972. (Water Quality Control Plan)

Preliminary Report on Los Angeles County, Los Angeles River Planning Basin, November 1972. (Water Quality Control Plan)

Preliminary Report on Orange, Riverside, and San Bernardino Counties, Santa Ana River Planning Basin, October 1972. (Water Quality Control Plan)

Preliminary Report on Orange, Riverside, and San Diego Counties, San Diego Planning Basin, September 1972. (Water Quality Control Plan)

Overview of Waste Water Reclamation in Southern California, Memorandum Report, June 1971.

Overview of Waste Water Reclamation in Southern California, Memorandum Report, October 1971.

Reclamation of Waste Water, San Luis Obispo County, Memorandum Report, May 1971.

Historic and Projected Water Demand and Supply in the South Coastal Area, TIR No. 1376-7-D-1, June 1971.

Historic and Projected Water Demand and Supply in the South Central Coastal Area, TIR No. 1376-7-D-2, June 1971

Historic and Projected Water Demand and Supply in the South Lahontan Area, TIR No. 1376-7-D-3, June 1971.

Historic and Projected Water Demand and Supply in the Colorado Desert Area, TIR No. 1376-7-D-4, June 1971.

Water for California, the California Water Plan, Outlook in 1970, DWR Bulletin No. 160-70, December 1970.

Memorandum Report on Present and Future Water Supply and Demand in the Central Coastal Area, December 1969.

Ground Water Quality in the Central Coastal Area, TIR No. 1376-10-B-7, December 1969.

Water Quality Conditions in Tia Juana Hydrologic Unit, February 1967.

U.S. Corps of Engineers

Connecticut River Comprehensive Study, 1969.

Northeastern United States Water Supply Study (NEWS), 1969.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 14 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

This letter will document the actions I intend to take to prevent any actual or apparent conflict of interest under the statutes and regulations that will apply to me as Commissioner of the Bureau of Reclamation.

Upon confirmation as Commissioner of the Bureau of Reclamation, I will resign my postion as Executive Director of the Colorado River Board of California. As a precaution and to prevent any conflict or the appearance of a conflict of interest, I will also voluntarily recuse myself for one year from all particular matters involving the Colorado River Board of California. This recusal action will not extend to rulemaking, legislation or general policy matters.

Upon confirmation as Commissioner of the Bureau of Reclamation, I will also resign my position with the Six Agency Committee and with the Colorado River Association - Six Agency Committee.

I have been advised by the Department of the Interior's Ethics Program Coordinator that all of the other financial interests reported on my financial disclosure report are in full compliance with the statutes and regulations that will be applicable to me as Commissioner of the Bureau of Reclamation.

Thank you.

Sincerely,

Dennis B Underwood

Dennis B. Underwood

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 11 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

The enclosed financial disclosure report filed by Dennis B. Underwood for the position of Commissioner of the Bureau of Reclamation has been reviewed in compliance with 5 CFR 734.604(a). In addition to the standard conflict of interest prohibitions contained in 18 U.S.C. 201 - 209 and Executive Order 12674, the Commissioner for the Bureau of Reclamation is also subject to five statutory prohibitions that apply to employees in our Department. These statutory prohibitions are: 18 U.S.C. 437; 30 U.S.C. 6; 30 U.S.C. 1211(f); 43 U.S.C. 11 and 43 U.S.C. 31(a). Except for 30 U.S.C. 1211(f), the provisions of each of these statutes are extended to the Commissioner of the Bureau of Reclamation by Department of the Interior regulations in 43 CFR Part 20.735.

Upon confirmation as Commissioner of the Bureau of Reclamation, Mr. Underwood will resign his postion as Executive Director of the Colorado River Board of California. Mr. Underwood will continue his participation in the California Public Employees Retirement System. This State retirement system is independently managed and its investment assets are widely diversified. Upon termination from the Colorado River Board of California, the State of California will discontinue its contributions to the State's retirement system on Mr. Underwood's behalf.

As a precaution and to prevent any conflict or the appearance of a conflict of interest, Mr. Underwood has agreed to voluntarily recuse himself for one year from particular matters involving the Colorado River Board of California. This recusal action will not extend to rulemaking, legislation or general policy matters.

Upon confirmation as Commissioner for the Bureau of Reclamation, Mr. Underwood has agreed to resign his position with the Six Agency Committee and with the Colorado River Association - Six Agency Committee.

Page 2

Based on our review of the information provided, I have determined and certified that Mr. Underwood is in compliance with the ethics statutes and regulations that apply to the position of Commissioner of the Bureau of Reclamation. Should you have any questions concerning the financial disclosure report submitted by Mr. Underwood, please call Gabriele J. Paone or Mason Tsai on 343-5916.

Thank you.

Sincerely,

Charles E. Kay

Charles E. Kay
Principal Deputy Assistant Secretary - Policy, Budget & Administration and Designated Agency Ethics Official

Enclosure

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. 3209-0002

Page 1

Reporting Status (*Check Appropriate Box*)		Agency Use Only	OGE Use Only	Date of Appointment, Candi… Election or Nomination (*Mo.… , Yr.*)	Termination Date (*If Applicable*) (*Month, Day, Year*)
☐ Incumbent	☒ New Entrant, Nominee, or Candidate ☐ Termination Filer		SEP-6		

Reporting Individual's Name	Last Name UNDERWOOD	First Name and Middle Initial DENNIS B.	
Position for Which Filing	Title of Position COMMISSIONER OF RECLAMATION	Department or Agency (*If Applicable*) DEPARTMENT OF THE INTERIOR	
Location of Present Office	Address (*Number, Street, City, State and ZIP Code*) COLORADO RIVER BOARD OF CALIFORNIA 107 SOUTH BROADWAY, ROOM 8103 LOS ANGELES, CALIFORNIA 90012-4663		Telephone No. (*Include Area Code*) (213) 620-4480
…tion(s) Held With the Federal Government During the Preceding 12 Months (*If Not Same as Above*)	Title of Position(s) and Date(s) Held		
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES	Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No	
Certification I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual Dennis B Underwood		Date (*Month, Day, Year*) July 20, 1989
Other Review **(If desired by agency)**	Signature of Other Reviewer		Date (*Month, Day, Year*) 9/8/89
…gency Ethics Official's Opinion The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Signature of Designated Agency Ethics Official/Reviewing Official Charles E. Kay		Date (*Month, Day, Year*) 9/8/89
Office of Government Ethics Use Only	Signature		Date (*Month, Day, Year*)

…porting Periods

Incumbents: Compl… Schedules A, B, C, and Part I of D. The reporting period is th… preceding calendar year except for Part II of Schedule C and… Part I of Schedule D where you must also include any positions …ed or agreements or arrangements made from the beginning … the filing year until the date you file.

Termination Filers: …omplete Schedules A, B, C, and Part I of D. The reporting p…riod begins at the end of the period covered by your previou… …ing and ends at the date of termination.

Nominees, New En…nts and Candidates for President and Vice President: Cor…ete Schedules A (except for BLOCK D), C, and D. (Candidat…s do not file Part II of Schedule D.

- **Schedule A**—The …porting period for Income (BLOCK C) is the preceding cale…dar year and the current calendar year up to the date of fi…g. Value assets in BLOCK B as of any date you choose t… is within 31 days of the date of filing.
- **Schedule C, Part** …iabilities)—The reporting period is the preceding calenda… …ear and the current calendar year up to any date you choos… …hat is within 31 days of the date of filing.
- **Schedule C, Part I.** …greements and Arrangements)—Show any agreements or …rrangements as of the date of filing.
- **Schedule D**—The …porting period is the preceding two calendar years and …e current calendar year up to the date of filing.

Comments of Reviewing Officials (*If additional space is required, use the reverse side of this sheet*)

(Check b… …omments are continued on the reverse side) ☐

NSN 7540-01-070-8444

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No [illegible]

Reporting Individual's Name		Page Number	Schedule
UNDERWOOD, DENNIS B.	**Assets and Income**	2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $ C received from the assets and other sources of income listed in BLOCK A. You n s report the **actual amount** of any income not of a type specifically noted below. Yc need not report the actual amount of your spouse's earned income, only the source in OCK A. You may not check "qualified trust" unless you have a blind trust which ha been specifically approved by the Office of Government Ethics. If you, your spouse or endent child are the beneficiary of a trust which no one of you created and has no owledge of the assets, refer to the instructions to see if it qualifies as an "exceptec ust." If "none" (or less than $101) is checked under Category of Amount of Income, n ther entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

		BLOCK A Assets & Income Sources	**BLOCK B** Valuation of Assets							**BLOCK C** Income																	**BLOCK D** Transactions Test	
		Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)										If yes, complete Schd. B Part I for those assets including those sold for a loss.	
S or DC			None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
	Examples	X Y Z Common				x				x									x						--		x	
		Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
	1	STATE OF CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM				X						X								X								
	2	WORLD SAVINGS & LOAN OAKLAND, CA IRA			X							X						X										
S		WORLD SAVINGS & LOAN OAKLAND, CA IRA			X							X						X										
S	4	WORLD SAVINGS & LOAN OAKLAND, CA KEOGH PLAN				X						X								X								
	5	WORLD SAVINGS & LOAN OAKLAND, CA SAVINGS ACCOUNT				X						X							X									
	6	FURNACE BROOK SUBDIVISION LOTS 1, 11 & 12 CHITTENDEN, VERMONT				X					X						X											
	7	STATE OF CALIFORNIA SALARY														SALARY									$71,666			
S	8	REAL ESTATE COMMISSIONS JON DOUGLAS CO, SANTA MONICA, CA																										
	9																											
	10																											

SF 278 (Rev 1/87)
FPM Chapter 734
U S Office of Personnel Management

Form Approved
OMB No 3206-0092

Reporting Individual's Name	UNDERWOOD, DENNIS B

Page Number	3	Schedule B	

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

S or ...		Identification of Assets	Type of T nsaction (X) Purchase	Sale	Date (Mo., Day, Yr.)	Amount of Transaction (X) $1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$1(000	$100,001-$250,000	Over $250,000
	Example	X Y Z Common	x		2/1/83			x			
1											
2		NEW ENTRANT - NOT APPLICABLE (m.J.)									
3											
4											
5											
6											

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only: ~port the source, a brief description and the value of: (1) ~kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship ~ you. **Exclude** transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** ~fts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☐

S		Source (Name and Address)	Brief Description	Value
	Examples	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1				
2		NEW ENTRANT - NOT APPLICABLE (m.J.)		
3				
4				
5				
6				

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3206-0097

Reporting Individual's Name	UNDERWOOD, DENNIS B.	
Page Number	4	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

		Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X) $10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S	Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs.			X		
		John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1		THE HOWARD BANK, BURLINGTON, VERMONT	MORTGAGE ON RECREATIONAL PROPERTY CHITTENDEN, VERMONT	1985	15%	20 yrs		X			
2											
3											
4											
5											
6											

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☐

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Hometown, USA	7/75 ptnership agmnt.
	CONTINUED PARTICIPATION AS INACTIVE MEMBER IN THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM		

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name	UNDERWOOD, DENNIS B

Page Number	5	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83
	STATE OF CALIFORNIA COLORADO RIVER BOARD OF CALIFORNIA	STATE GOVERNMENT	EXECUTIVE DIRECTOR	6/86	PRESENT
	SIX AGENCY COMMITTEE	EXECUTIVE COMMITTEE JOINT POWERS AGREEMENT	SECRETARY	11/78	PRESENT
	COLORADO RIVER ASSOCIATION - SIX AGENCY COMMITTEE	EXECUTIVE COMMITTEE JOINT POWERS AGREEMENT	SECRETARY	11/78	PRESENT

Part II
Compensation In Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such mpensation received by you or your business affiliation for rvices directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☐

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith), Hometown, USA	Legal services in connection with university construction
	STATE OF CALIFORNIA	MANAGEMENT, ADMINISTRATIVE, TECHNICAL SERVICES

UNITED STATES SENATE
COMMITTEE ON ENERGY AND NATURAL RESOURCES

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name:	McVee (LAST)	Curtis (FIRST)	Virgil (OTHER)

Position to which nominated: Federal Cochairman Alaska Land Use Council

Date of nomination: Glasgow, Montana

Date of birth: 11 (DAY) 3 (MONTH) 29 (YEAR)

Place of birth: Glasgow, Montana

Marital status: Married

Full name of spouse: Joyce Maxine Nakken McVee

Name and ages of children

Michael C.	36 years	Mathew D.	20 years
Mark O.	30 years		
Thomas V.	28 years		

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Montana State University	1946 - 50	B.S.	1950

Employment record: **List below all positions held since college, including the title and description of job, name of employer, location, and dates.**

Executive Director, Alaska Miners Association, Anchorage Alaska 1986 to present

President, Alaska Community Engineering Services - Joint Venture Company, Anchorage, AK 1984 - 1986

State Director, Bureau of Land Management, Anchorage, Alaska 1971 - 1986

Associate State Director, Bureau of Land Management, Anchorage, AK 1967 - 1971

Range Conservationist, Bureau of Land Management, Washington, D.C. 1963 - 1967

District Manager, Bureau of Land Management, Ely, Nevada 1960 - 1963

Assistant District Manager, Bureau of Land Management, Miles City, Montana 1955 - 1960

Range Conservationist, Bureau of Land Management, Dillon, Montana 1954 - 1955

Employment record—Continued

U.S. Army Signal Corp, Enlisted man - California, Virginia, Korea 1952 - 1954

Range Conservationist, Bureau of Land Management, Billings, Montana 1950 - 1952

Military service: Describe any military service not listed above, including dates, rank, and type of discharge.

Corporal U.S. Army Signal Corps 1952-1954, Honorable Discharge

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

U.S. Dept. of the Interior - Meritorious Service Award

U.S. Dept. of the Interior - Distinguished Service Award

Senior Executive Service Meritorious Rank Award

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Dates	Office held (if any)
Alaska Miners Association	1986 - Present	Executive Director
Anchorage Rotary Club	1972 - Present	Past President
Past Membership in		
American Society of Range Management	1950 1975 (Approx)	
American Society of Soil Conservation	1967 - 1980 (Approx)	
Alaska Mining & Energy Research Education Fund	1987 to Present	Board Member

Published writings: List the titles, publishers and dates of any books, articles, or reports you have written.

Professional Articles on Land Use Planning and Management presented at various conferences.

News articles concerning land use and mining issues.

Future employment relationships:

1. Will you sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate?

Yes

2. Do you have any plans after completing government service to resume employment, affiliation or practice with your current or any previous employer, business firm, association or organization?

No

3. Has a commitment for employment after you leave government been made to you by anyone? Have you made any such commitment?

No

4. (a) If you have been appointed for a fixed term, do you expect to serve the full term?

Yes

Future employment relationships—Continued

(b) If you have been appointed for an indefinite term, are there any known limitations on your willingness or ability to serve for the foreseeable future?

No

Financial statement:

1. Attach a copy of your Executive Personnel Financial Disclosure Report (SF 278).

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services and firm memberships or from former employers, clients, and customers. Amounts should be indicated by the categories established for reporting income on Form SF 278, Schedule A.

None

3. Are you currently a party to any legal action? If so, describe its nature and status.

No

4. Have you ever declared bankruptcy? If so, describe the circumstances.

No

5. Have you filed a Federal income tax return for each of the last 10 years? If not, please explain.

Yes

6. Has the Internal Revenue Service ever audited your Federal tax return? If so, what resulted from the audit?

No

Potential conflicts of interest:

1. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction (other than taxpaying) that you have had during the last 10 years with the Federal Government, whether for yourself or relatives, on behalf of a client, or acting as an agent, which might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

3. Describe any lobbying activity which you have performed during the past 10 years with respect to legislative or administrative actions at the Federal, State or local level.

' Appearance before Senate Committee on Energy and Natural Resources in June 1989, Testifying on Mining Law.

' Testimony on various Mining related issues before State Legislative Committees.

4. Have you been informed of the conflict of interest laws and regulations applicable to the position to which you have been nominated?

Yes

Potential conflicts of interest—Continued

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to this form and the attachments thereto. Attach a statement of the appropriate agency ethics official explaining the applicable laws or regulations, any potential conflicts, and the action required to resolve such conflicts.

The method I pursue to resolve any potential conflict of interest or the appearance of a conflict of interest will be based on the advice I receive from the Department of the Interiors designated agency ethics official.

6. Explain how you will resolve any potential conflicts of interest that may arise in the future if you are confirmed for the position for which you have been nominated.

In the event that I am confronted by a situation that may result in or create the appearance of a conflict of interest I would report the situation to and seek the advice of the Department of the Interior designated agency ethics official.

Public disclosure: Do you have any objections to this form and the attachments thereto being made public?

AFFIDAVIT

I, CURTIS V. McVEE, being duly sworn, hereby state that I have read the foregoing Statement for Completion by Presidential Nominees, including all attachments thereto, and that the information provided therein is, to the best of my knowledge and belief, current, accurate, and complete.

Curtis V McVee
(Signature of Nominee)

Subscribed and sworn to before me this 19 day of Sept, 1989

Denise K. Young
Notary Public
EXP. 2 NOV 92

Form approved by the Committee February 5, 1985.

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 19 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

This letter will document the actions I intend to take to prevent any actual or apparent conflict of interest under the statutes and regulations that will apply to me as Federal Co-Chairman of the Alaska Land Use Council.

Upon confirmation as the Federal Co-Chairman of the Alaska Land Use Council, I will terminate my employment with the Alaska Miners Association. Since my wife is a temporary part-time employee with the Alaska Miners Association, and this Association may have an interest in matters that may come before the Alaska Land Use Council. I will also voluntarily recuse myself from becoming officially involved in any particular matters dealing with the Alaska Miners Association. This recusal action will not extend to matters involving rulemaking, legislation or the formulation of general policy matters. This recusal action will also expire upon my wife's resignation from the Alaska Miners Association.

I also agree that upon confirmation as the Federal Co-Chairman of the Alaska Land Use Council, I will resign my membership with the Board of Directors of the Alaska Mining and Energy Research Education Fund located in Anchorage, Alaska.

I have been advised by the Department of the Interior's Ethics Program Coordinator that all of the other financial interests reported on my Financial Disclosure Report are in full compliance with the statutes and regulations that will be applicable to me as Federal Co-Chairman of the Alaska Land Use Council.

Sincerely,

Curtis V. McVee

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

SEP 19 1989

Honorable Frank Q. Nebeker
Director, Office of Government Ethics
Office of Personnel Management
P.O. Box 14108
Washington D.C. 20044

Dear Judge Nebeker:

The enclosed financial disclosure report filed by Curtis V. McVee for the position of Federal Co-Chairman of the Alaska Land Use Council has been reviewed in compliance with 5 CFR 734.604(a).

Upon confirmation as the Federal Co-Chairman of the Alaska Land Use Council, Mr. McVee will terminate his employment with the Alaska Miners Association. Mr. McVee reports that his wife is a temporary part-time employee with the Alaska Miners Association, and that this Association may have an interest in matters that may come before the Alaska Land Use Council. Therefore, to prevent or minimize any appearance of impropriety, Mr. McVee has agreed to voluntarily recuse himself from becoming officially involved in all particular matters dealing with the Alaska Miners Association. This recusal action will not extend to matters involving rulemaking, legislation or the formulation of general policy matters. In addition, Mr. McVee's recusal action will expire upon his wife's resignation from the Alaska Miners Association.

Mr. McVee has also agreed that upon confirmation as the Federal Co-Chairman of the Alaska Land Use Council, he will resign his membership with the Board of Directors of the Alaska Mining and Energy Research Education Fund located in Anchorage, Alaska.

Based on our review of the information provided, I have determined and certified that Mr. McVee is in compliance with the ethics statutes and regulations which apply to the Federal Co-Chairman of the Alaska Land Use Council.

If you have any questions concerning the report submitted by Mr. McVee, please call Gabriele J. Paone or Mason Tsai on 343-5916.

Thank you.

Sincerely,

Charles E. Kay

Charles E. Kay
Principal Deputy Assistant Secretary - Policy, Budget & Administration and Designated Agency Ethics Official

Enclosure

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Financial Disclosure Report

Form Approved
OMB No. [illegible]

Page 1

Reporting Status *(Check Appropriate Box)*			Agency Use Only	OGE Use Only	Date of Appointment, C… …ncy, Election or Nomination …Day, Yr.)	Termination Date *(If Applicable)* *(Month, Day, Year)*
☐ Incumbent	☒ New Entrant, Nominee, or Candidate	☐ Termination Filer		…T. OF THE INTERIOR ★ SEP 12 1989 ★ ETHICS OFFICE		
Reporting Individual's Name	Last Name McVee		First Name and Middle Initial Curtis V.			
Position for Which Filing	Title of Position Federal Co Chairman Alaska Land Use Council		Department or Agency *(If Applicable)*			
Location of Present Office	Address *(Number, Street, City, State and ZIP Code)* 501 W. Northern Lights Blvd., #203 Anchorage, Alaska 99503			Telephone No. *(Include Area Code)* (907) 276-0347		
Position(s) Held With the Federal Government During the Preceding 12 Months *(If Not Same as Above)*	Title of Position(s) and Date(s) Held None					
Presidential Nominees Subject to Senate Confirmation	Name of Congressional Committee Considering Nomination		Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No			
Certification I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.	Signature of Reporting Individual Curtis V McVee		Date *(Month, Day, Year)* 7-17-89			
Other Review **(If desired by agency)**	Signature of Other Reviewer Mason Isai		Date *(Month, Day, Year)* 9/15/89			
Agency Ethics Official's Opinion The information contained in this report discloses no conflict of interest under applicable laws and regulations.	Signature of Designated Agency Ethics Official/Reviewing Official Charles E. Kay		Date *(Month, Day, Year)* 9/14/89			
Office of Government Ethics Use Only	Signature		Date *(Month, Day, Year)*			

…eporting Periods

Incumbents: Co… …te Schedules A, B, C, and Part I of D. The reporting period i… …e preceding calendar year except for Part II of Schedule C a… Part I of Schedule D where you must also include any positi… held or agreements or arrangements made from the beginnin… of the filing year until the date you file.

Termination File… Complete Schedules A, B, C, and Part I of D. The reportin… …riod begins at the end of the period covered by your previ… filing and ends at the date of termination.

Nominees, New …rants and Candidates for President and Vice President: C… …plete Schedules A (except for BLOCK D), C, and D. (Candi… …s do not file Part II of Schedule D.

- **Schedule A**—T… …eporting period for income (BLOCK C) is the preceding c… …ndar year and the current calendar year up to the date o… …ing. Value assets in BLOCK B as of any date you choose… …at is within 31 days of the date of filing.
- **Schedule C, Pr…** (Liabilities)—The reporting period is the preceding caler… year and the current calendar year up to any date you ch… that is within 31 days of the date of filing.
- **Schedule C, Pr…** (Agreements and Arrangements)—Show any agreement… arrangements as of the date of filing.
- **Schedule D**—… reporting period is the preceding two calendar yea… the current calendar year up to the date of filing.

Comments of Reviewing Officials *(If additional space is required, use the reverse side of this sheet)*

(Check… if comments are continued on the reverse side) ☐

NSN 7540-01-070-8444

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name McVee, Curtis V.	**Assets and Income**	Page Number	2	Schedule A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. Exclude your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding 0 received from the assets and other sources of income listed in BLOCK A. Yc ual report the actual amount of any income not of a type specifically noted below. need not report the actual amount of your spouse's earned income, only the source .OCK A. You may not check "qualified trust" unless you have a blind trust which been specifically approved by the Office of Government Ethics. If you, your spouse pendent child are the beneficiary of a trust which no one of you created and has nowledge of the assets, refer to the instructions to see if it qualifies as an "except rust." If "none" (or less than $101) is checked under Category of Amount of Income, o other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

S or DC	BLOCK A Assets & Income Sources Identify each asset and income source of yours, your spouse(S) and your dependent child (DC). NONE ☐	BLOCK B Valuation of Assets — Category of Value (X): None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	BLOCK C Income — Type of Income (X): Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	Category of Amount of Income (X): None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	[illegible]	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	BLOCK D Transactions Test — If yes, complete Schd. B Part I for those assets including those sold for a loss. YES	NO
Examples:	X Y Z Common				x				x									x						--		x	
	Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$80,000			
1	IRA Fed Alaska Federal Credit Union			X							X						X										
2	IRA Fed Alaska (S) Federal Credit Union			X							X						X										
3	Duplex (Rental 4823 & 25 Bishop Way						X			X										X							
4	Alaska Miners Association														Salary							X		70,610			
5	Alaska Miners Association (S)														Salary				X								
6	Gov. Retirement (u.s.) (civilian)														Retirement							X		55,500			
7	Undeveloped Land 10 (A)Clallam Co. WA					X										X											
8	Undeveloped Land 1 A Devonwood SD, Wasilla, AK			X												X											
9	Alaska State Perm. Fund Alaska State Perm. Fund (S)								X X								X X										
10	Alaska State Perm. Fund (DC)								X								X										

PREVIOUS EDITION USABLE

278-210

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name McVee, Curtis V.	Page Number	3	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☐

			Type o	nsaction (X)			Amount of Transaction (X)					
S or DC		Identification of Assets	Purchase	Sale	Exch	Date (Mo., Day, Yr.)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000
	Example:	X Y Z Common	X			2/1/83			X			
1												
2		NEW ENTRANT - NOT APPLICABLE										
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only: Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relations to you. **Exclude** transportation, lodging, food and reimb ments from the U.S. Government. For (1) and (2), **exclu** fts from relatives and **exclude** gifts of $35 or less wher egating them for the total from one source. See instru or further exclusions.

NONE ☐

S		Source (Name and Address)	Brief Description	Value
	Example:	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1				
2				
3		NEW ENTRANT - NOT APPLICABLE		
4				
5				
6				

PREVIOUS EDITION USABLE

SF 278 (Rev. 1/87)
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. [illegible]

Reporting Individual's Name
McVee, Curtis V.

Page Number	4	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. Exclude a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furnitur. ppliances, and liabilities owed to relatives. See instr ns for revolving charge accounts.

NONE ☐

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate		Category of Amount or Value (X)				
						$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC / Examples:	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	yrs.			X		
	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	mand	X				
1	Seafirst Real Estate Mortgage Group P.O. Box C 34103, Seattle WA 98124 - 1103	Mortgage on Rental Property 4823 & 25 Bishop Way, Anch.AK	1978	10.5	3			X		
2										
3										
4										
5										
6										

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☒

	Status and Terms of any Agreement or Arrangement	Pa	Date (Mo., Yr.)
Example:	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, U	7/76 ptnership agrmt.

PREVIOUS EDITION USABLE

SF 278 (Rev 1/87)
FPM Chapter 734
U S Office of Personnel Management

Form Approved
OMB No [illegible]

Reporting Individual's Name

McVee, Curtis V.

Page Number	5	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude positions with religious, s l, fraternal, or political entities or those solely of an honor nature.**

NONE ☐

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/78	11/83
	Alaska Miners Association Anchorage, AK	Non Profit Trade Association	Executive Direct	3/86	Present
	Alaska Mining and Energy Research Education Fund Anchorage, AK	Non Profit Education Fund	Member Board of Directors	1/87	Present

Part II
Compensation In Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or pay t of more than $5,000. You need not report the U.S. Go ment as a source.

NONE ☐

	Source (Name and Address)	Brief Description of Duti
Examples:	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction
	Alaska Miners Association Anchorage, AK	Executive Director

PREVIOUS EDITION USABLE

278-109

APPENDIX II

Responses to Additional Questions From the Nominees

Department of the Interior
18th and C Streets, N.W.
Washington, D.C. 20240

OCT 2 1989

Honorable J. Bennett Johnston
Chairman, Committee on Energy
  and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed you will find my responses to the questions for the record following my confirmation hearing before the Senate Energy Committee on September 28.

If I can be of further assistance to you, please let me know. I look forward to working with you and your colleagues in the coming months.

Sincerely,

David C. O'Neal
Assistant Secretary for Land and
  Minerals Management-Designate

Enclosures

cc: Honorable James A. McClure, Ranking Minority Member
    Committee on Energy and Natural Resources
    United States Senate

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

1. Question: Have you ever been investigated, arrested, charged or held by any Federal, State or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, Please explain.

Answer: No.

David C. O'Neal
Assistant Secretary—Land &
Minerals Management - Designate

Senator Johnston

2. Question: Have you ever been convicted (including a plea of guilty or nolo contendre) of any criminal violation other than a minor traffic offense?

Answer: No.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

3. Question: Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

Answer: No.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

4. Question: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

5. Question: If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

6. Question: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: From 1981 to January 1983, I was a salaried employee of Aviation Systems International involved in commercial airline sales. We sold airplane parts to commercial airlines owned by foreign governments (see my employment statement). I am no longer connected with the business. Countries and their commercial airlines that were involved in the parts sales included Great Britian, Pakistan, Lufthansa German Airline, Finnair, Scandinavian Airlines and EL AL.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

7. Question: Have you or your spouse ever registered under the Foreign Agents Registration Act? If so, please furnish details.

Answer: No.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

8. Question: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing? If not, please explain.

Answer: Yes.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

9. Question: Have all your Federal, State, and local taxes always been paid on time? If not, please explain.

Answer: Yes.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

10. Question: If confirmed, are there any known limitations on your willingness or ability to serve for your full term or until the next Presidential election, whichever is applicable?

Answer: No.

David C. O'Neal
Assistant Secretary--Land &
  Minerals Management - Designate

Senator Johnston

11. Question: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: None.

David C. O'Neal
Assistant Secretary—Land &
Minerals Management - Designate

Senator Johnston

12. Question: I understand that as Lieutenant Governor of Illinois, you were involved with coal issues on the state level.

- What perspective do you bring to the Assistant Secretary position, given this experience?

Answer: As Lieutenant Governor, I was primarily involved with abandoned mine land reclamation issues as well as with some coal export issues involving Illinois coal. The perspective gained from my experience is the need for cooperative efforts among local, state and Federal governments.

David C. O'Neal
Assistant Secretary for Land and
Minerals Management-Designate

Senator Johnston

13. Question: On July 29, 1988, the Department issued a proposed rule seeking comments on whether the royalty rate for underground coal should be changed from the current rate of 8 percent of the value of production to 5 percent or some fixed rate between 5 and 8 percent. I understand that the Department is currently reviewing that proposal.

o What is the status of this review?

Answer: I understand this review is continuing, and I expect to become involved in that review immediately upon confirmation.

David C. O'Neal
Assistant Secretary -
Land and Minerals
Management-Designate

Senator Johnston

14. Question: The Department recently promulgated product value rules for coal. Under these rules, AML fees, black lung fees and State severance taxes will be excluded from the "value" of coal for purposes of calculating the royalty. The Department estimates that these rules will result in an annual revenue loss of $34 million, half of which will be incurred by the States. I understand that the Department intends to review these rules.

- What is the status of this review?

Answer: I have been advised that Secretary Lujan appointed a panel of senior Department officials to hear the concerns of affected parties. A public meeting to hear various views was held on May 4, 1989, and written comments were also solicited from interested individuals. It is my understanding the regulations will be allowed to continue during the review process. After review, the Department expects to decide in early 1990 what further action, if any, is required.

David C. O'Neal
Assistant Secretary -
Land and Minerals
Management - Designate

Senator Johnston

15. Question: A June 1989 Report by the Minerals Management Service Task Force addresses oil spill readiness in the Gulf of Mexico OCS region and indicates that because of long distances, initial spill response times may be significantly longer than existing guidelines providing for response within 6 to 12 hours.

- Would you please review this situation to see what steps need to be taken to address this problem.

Answer: I will be pleased to follow up on this request. I have been advised that the Gulf of Mexico Region of the Minerals Management Service (MMS) has recently completed an assessment of the response time capabilities for Gulf of Mexico OCS facilities. I am told that by the end of the calendar year, the MMS will determine what, if any, modifications need to be incorporated into Gulf of Mexico Oil Spill Contingency Plans based on a series of oil spill drills being held this calendar year.

David C. O'Neal
Assistant Secretary-
Land and Minerals
Management-Designate

Senator Johnston

16. Question: That same report indicates that the capacity to detect leaks from pipelines may be inadequate.

- Will you also review this problem and take the steps necessary to address it?

Answer: I also will be pleased to act on this request. I am advised that the Minerals Management Service (MMS) is currently evaluating new or existing technologies which would improve pipeline leak detection capabilities.

It is my understanding that, in accordance with an existing Memorandum of Understanding with the Department of Transportation (DOT), the DOT Office of Pipeline Safety has responsibility for most OCS pipeline systems. The MMS is currently negotiating with DOT with the intent of assuming a greater role in the regulation of OCS pipelines. The MMS believes additional regulatory requirements may be necessary for some OCS pipelines.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

17. Question: What do you see as your top priorities as Assistant Secretary?

Answer: I will have many priorities because of the differing mandates I have for managing the Bureau of Land Management, the Office of Surface Mining and the Minerals Management Service. However, the following represent general priorities that will apply to all three Bureaus:

- To protect at all times the public interest, by among other things, listening to all views on issues and making decisions based on the best information we can get and working closely with the Congress, environmental groups, and industry.
- To promote the wise use and conservation of our natural resources.
- To move the Bureaus in new directions in educating our constituencies and keeping them informed.
- To review and modify or change, if necessary, policies of the three agencies.
- To have a relationship with the Congress and constituencies that is open and professional.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

18. Question: What do you view as your greatest accomplishment during your previous tenure at the Bureau of Land Management?

o Your greatest challenge?

Answer: In the area of programs my greatest accomplishments dealt with my involvement in developing a "riparian" awareness and policy within BLM, the Recreation 2000 study, and the Fish and Wildlife 2000 report. I also developed and implemented a system to begin a comprehensive review of hazardous waste problems on the public lands.

In the management area my greatest accomplishments were my participation in the establishment of an Automated Land and Mineral Record System and a commitment within BLM for greater opportunities for minorities and women at all levels within the organization.

o I considered my greatest challenge at BLM to be the issue of hazardous waste on public lands.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

19. Question: As you know, the Assistant Secretary for Land and Minerals oversees agencies and programs that, in the past, have been mired in controversy.

- What are your plans to eliminate the controversy that has surrounded these agencies and programs, and make them more effective?

Answer: I fully agree that there has been, in some cases, controversy. I believe strongly that first I must try to get parties with differing views to lower their voices and join me in good faith around the table to see if we can find some common ground. This means I will have an open door policy. Second, many of our agencies are going to have to revisit some of their policies. Third, we will emphasize our openness with the Congress and constituents in order to establish a higher level of trust and understanding even though in some cases reaching an acceptable resolution among all parties may be difficult to achieve.

And finally, through extended openness and fairness with all constituencies, we will raise the level of public trust.

David C. O'Neal
Assistant Secretary for Land and
Minerals Management-Designate

Senator Johnston

20. Question: Secretary Lujan has emphasized in recent speeches, as reported by the press, that the Administration is committed to the policy of multiple-use management of our public lands. Other Department officials have stated that multiple use means use of lands at the highest and best use.

o What is your understanding of "multiple use" of public lands?

o Do you think the Department has achieved an appropriate balance between the development of federal mineral resources and protection of the environment?

Answer: Multiple use of public lands means balanced management of uses as defined in the Federal Land Policy and Management Act of 1976. While one use may dominate others during certain times, I believe that in most cases a balance has been achieved.

With proper planning and consideration of concerns, such as wildlife and riparian resources, we can protect the environment while allowing prudent development of Federal mineral resources. We don't have to choose between them. We can do both.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

21. Question: As Assistant Secretary for Land and Minerals, you are responsible for the stewardship of the nation's public-owned resources. I previously have expressed my concern by what could be seen as a trend in management of those resources. The Department, in the last 12 months of the previous Administration:

- lowered the royalty rate on federal oil and gas to a fixed 12 - 1/2 percent;
- lowered the rental on federal oil and gas leases;
- lowered the minimum bid for OCS leases;
- proposed to lower the royalty rate for underground coal from 8 to 5 percent; and
- proposed to allow coal royalty rate reductions on a state and regional basis.

I have received a commitment from Secretary Lujan to review these policies regarding costs to the Federal Treasury associated with the policies, whether the public is getting a fair return on its mineral resources, and the justification for these changes.

- I would like your assurance that you will personally review these policies.

Answer: You have my assurance I will personally review each of these policies. The Assistant Secretary for Land and Minerals must establish the principle that the public interest will be protected at all times.

David O'Neal
Assistant Secretary-Land and
Minerals - Designate

Senator Johnston

22. Question: As you know, implementation and enforcement of the Surface Mining Control and Reclamation Act of 1977 (SMCRA) by the Office of Surface Mining Reclamation and Enforcement (OSM) has been controversial at best. Recently, the definition of valid existing rights, changes in state oversight policy, and the applicant violator system have been controversial. The new director of OSM has committed to reviewing these issues.

- What changes need to be implemented at OSM to ensure that SMCRA is being adequately and effectively enforced?
- I would like your assurance that you will personally review the three above-mentioned policies.

Answer: I have been informed that the new Director of the Office of Surface Mining Reclamation and Enforcement (OSM), Harry Snyder, has already made a number of changes in operations and policy that have resulted in improvements in the way the Surface Mining Control and Reclamation Act (SMCRA) is enforced. I also understand he plans additional changes and improvements. I have been very impressed with Mr. Snyder's accomplishments to date and am confident he will achieve the balance called for by the Act.

I have been informed that some of the achievements at OSM in the last few months are:

- The proposed Valid Existing Rights (VER) rule has been withdrawn and OSM is reviewing the development of new rule language.
- The parties in the Save Our Cumberland Mountains v. Lujan litigation concerning, among other things, the Applicant Violator System (AVS), have agreed to negotiate on major issues including a plan for enhancements to the AVS software and hardware, use of individual civil penalties, and a plan to improve the work of the AVS clearinghouse. This agreement is a milestone in improving relations between OSM and the environmental community.
- Mr. Snyder has made significant changes in the state program oversight process. The issue has been opened for public comment and reaction to date has been very favorable. Mr. Snyder has reaffirmed the important role of the Federal Government in state program oversight; insured consistency in reporting formats; and has stated that SMCRA will be vigorously enforced during his watch.

Let me assure you I will review Director Snyder's recommendations on VER, state oversight policy, and the AVS.

David C. O'Neal
Assistant Secretary—Land &
Minerals Management - Designate

Senator Johnston

23. Question: I have been concerned that in the past the Department has stated, regarding disposition of oil shale mining claims, that the Department's primary objective is to protect the mining claimants rights.

o What do you believe should be the Department's primary objective?

Answer: The primary objective in any issue involving our natural resource program is to protect the public interest by assuring that all laws, regulations and rights are enforced and upheld.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

24. Question: Secretary Lujan has indicated a willingness to look at increasing the $2.50 per acre patenting fee for oil shale claims.

- Do you think it should be increased?
- What is the status of this review?

Answer:

- I, too, am willing to look at the $2.50 per acre patenting fee. I will keep the Congress fully informed of the Department's review of this matter.
- I am informed this policy is still under review.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

25. Question: Does the Department have any plans to send to Congress draft legislation in the land and minerals area?

Answer: There are numerous issues being reviewed that could result in proposed legislation as well as legislation that might be needed to implement future Administration budget proposals. The Bureau of Land Management will no doubt be sending proposed wilderness recommendations to Congress in the next several years. I would also expect the Office of Surface Mining to make legislative recommendations regarding the reauthorization of the Abandoned Mine Land Reclamation fund. At this point it is unclear whether the President's OCS Task Force will make legislative recommendations. I will work closely with the Congress on any DOI legislative proposals.

David C. O'Neal
Assistant Secretary--Land &
Minerals Management - Designate

Senator Johnston

26. Question: Despite previous assurances from other nominees before this Committee, there continues to be a problem with receiving Departmental testimony on time, as well as receiving timely responses to additional questions sent to the Department following a hearing. For example, responses to follow-up hearing questions sent to the Department on July 31, 1989, were not received until September 20, 1989. While I understand that in many instances there are numerous questions requiring detailed answers, the information requested is needed on a timely basis so that decisions can promptly be made based on complete and accurate information. Do I have your assurance that you will do all you can to ensure that this information is received in a timely manner?

Answer: Yes, you have my assurance I will work closely both in the Department and with all government entities involved in making the maximum effort that testimony arrives on time to the Committee and that responses to additional questions are sent back to the Committee in a timely fashion.

David C. O'Neal
Assistant Secretary for Land
and Minerals Management-Designate

Senator Bumpers

1. Question: As you know, reform of the Mining Law of 1872 is controversial. Not long after the law was enacted in 1872, some were calling for changes. Some industry representatives have suggested certain reforms. On the other hand, changes in the law must be made carefully to ensure a healthy mining industry.

o Will you agree to work with me in good faith as we examine reform of the Mining Law to ensure that mining on our public lands occurs in a responsible and effective manner?

Answer: The Mining Law of 1872 has been the backbone of this country's hardrock mining industry since its inception. I look forward to working with you and all other interested parties on a review of this law. I enthusiastically support your belief that mining should occur in a responsible and effective manner.

David C. O'Neal
Assistant Secretary for Land and
Minerals Management-Designate

Senator Bumpers

2. Question: I asked the Bureau of Land Management (BLM) a followup question after the June 7, 1989 hearing on the Mining Law, requesting that the Bureau of Mines collect information on the value of minerals mined from unpatented mining claims, which would necessarily include amount of production. The BLM's response indicates that the Department is not planning to implement this request.

o Please review the attached response and consider this a second request for the collection of such information.

Answer: I am not sufficiently familiar with this matter to be able to provide a definitive answer at this time. The Bureau of Land Management informed me that currently there is no requirement or system for companies reporting such information. However, I appreciate the importance of this information to current discussions. I assure you I will initiate discussions with the Assistant Secretary for Water and Science if I am confirmed.

David C. O'Neal
Assistant Secretary for Land and
Minerals Management-Designate

Senator Bumpers

3. Question: In further reviewing BLM's responses to follow-up questions from the June 7, 1989 hearing, I was interested in the response to a question posed by the Subcommittee Chairman, Senator Bingaman. I have attached the question and the response. The response states, in part, that "the greatest weakness of the Mining Law comes as a result of its strengths being relatively unknown to the general public."

o Do you think this answer is responsive?

Answer: While there may very well be great wisdom to the reply, I agree it leaves some interpretation of its meaning to the reader. During the coming weeks I will become personally familiar with the Mining Law, and I look forward to working with you and all other interested parties in a review of this law.

David O'Neal
Assistant Secretary-Land and
Minerals - Designate

Senator Rockefeller

1. Question: In previous hearings before this Committee, and in actions taken subsequently, the new Director of the Office of Surface Mining, Harry M. Snyder, has indicated that he plans to take prompt action in a number of critical areas of importance to me and to my State of West Virginia. Specifically, the development of standards for oversight of state programs, the initiation of negotiations to improve the Applicant Violator System, and the withdrawal of the proposed rule defining Valid Existing Rights. I want to be sure that you will support the Director in his efforts to move forward with his plans.

Do you support the efforts of the new Director to reach an agreement with the states and environmental groups on steps to improve the Applicant Violator System?

Before the House Interior Committee, the Director testified that he plans to take steps to strengthen the oversight of state programs. Do you agree with this, and will you support him in his efforts to strengthen oversight, in part by improving the on-the-ground evaluation of actual mine sites?

Will you support the Secretary and the Director in their attempts to develop a sound regulation on Valid Existing Rights?

Answer: I understand Director Snyder has already taken several significant steps to improve the Applicant Violator System (AVS). As you may know the parties to the ligitation in Save Our Cumberland Mountains v. Lujan are negotiating major issues, including a plan for enhancements to the AVS software and hardware, use of individual civil penalties, and a plan to improve the work of the AVS clearinghouse. Mr. Snyder is planning a meeting in the near future with representatives of the States to discuss improvements in the operation of AVS. I fully support these efforts.

I understand Mr. Snyder takes seriously the obligation to carry out the oversight role mandated by Congress. He has already begun improvements in the process that will strengthen OSM's oversight role. He has committed to engage in thorough communication with Congress, the States, industry, and the interested public in the future development of oversight strategies. I will fully support him in these efforts.

I understand the issue of valid existing rights is a very difficult one. I believe it is important for the Department to resolve this issue in a sound manner, and I will support Director Snyder's efforts to do so.

Department of the Interior
18th and C Streets, N.W.
Washington, D.C. 20240

OCT 2 1989

Honorable J. Bennett Johnston
Chairman, Committee on Energy
  and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed you will find my responses to the questions for the record following my confirmation hearing before the Senate Energy Committee on September 28.

If I can be of further assistance to you, please let me know. I look forward to working with you and your colleagues in the coming months.

Sincerely,

John M. Sayre
Assistant Secretary for Water
  and Science-Designate

Enclosures

cc: Honorable James A. McClure, Ranking Minority Member
Committee on Energy and Natural Resources
United States Senate

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

1) Question: Have you ever been investigated, arrested, charged or held by any Federal, State or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, please explain.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

2) Question: Have you ever been convicted (including a plea of guilty or nolo contendere) of any criminal violation other than a minor traffic offense?

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

3) Question: Have you even been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

4) Question: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant) with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

5) Question: If you or your spouse have ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

6) Question: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

7) Question: Have you or your spouse ever registered under the foreign Agents Registration Act? If so, please furnish details.

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

8) Question: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing? If not, please explain.

Answer: Yes.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

9) Question: Have all your Federal, State and local taxes always been paid on time? If not, please explain.

Answer: Yes.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

10) Question: If confirmed, are there any known limitations on your willingness or ability to serve for your full term or until the next Presidential election, whichever is applicable?

Answer: No.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

11) Question: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: If confirmed, I am anxious to make the programs of the Geological Survey, the Bureau of Mines and the Bureau of Reclamation even more productive and successful. I consider the position of Assistant Secretary to be a challenge and an opportunity to serve my country and its people. I look forward to working with President Bush's Administration, with the Secretary and the Congress in making this country a better place to live, both environmentally and economically, by being a good steward of its natural resources.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Chairman Johnston

12) Question: Over the last few years, the Committee has had to deal with the issue of reserved water rights within Wilderness areas. Last year, an Opinion of the Solicitor of the Department of the Interior concluded that in designating Wilderness, Congress did not intend to reserve water rights. That Opinion was approved by the then Attorney General. Because of the importance of this issue, and the criticisms of the Opinion, are you committed to reviewing this Opinion, and if necessary, revising it?

Answer: If confirmed as Assistant Secretary for Water and Science, I will support the position of the United States on the issue of wilderness water rights as set out in the Opinion and as concurred in by the Office of the Attorney General.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

13) Question: I understand that you were involved as an attorney in the Colorado federal district court case that held that water is reserved when Wilderness is designated. Given that your client argued that no implied water rights exists in Wilderness areas, do you believe that you can now objectively deal with this issue?

Answer: I recognize that Federal reserved water rights may have an impact on the use and distribution of water in western States. On the other hand, reserved water rights may be essential to some Federal reservations. Therefore, I consider this issue to be extremely important. The Solicitor of the Department has concluded, with references to wilderness areas, that water was not reserved by the Wilderness Act of 1964. That conclusion was concurred in by the Attorney General. Thus, it is the position of the United States, and a position I will support, unless it is changed.

My client in the Sierra Club case was representing the water users of northern Colorado. As an attorney representing a client I am required to represent that client to the best of my ability. If confirmed, I will be in the position of a client and will follow the positions and policies of the Secretary and his Solicitor, the laws of the United States and the final opinions of the United States courts. I, therefore, believe I can objectively deal with this issue.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

14) Question: Do you agree with the reasoning of the Colorado Federal district court or with the Solicitor's Opinion?

Answer: Whether I personally agree or disagree is not the issue. As Assistant Secretary, I will not be functioning as a lawyer. As previously stated, I will follow the positions and policies of the Secretary, the advice of his Solicitor, the laws of the United States and the final decisions of the courts of the United States. The decision of the district court is on appeal to the 10th Circuit.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

15) The Geological Survey and Minerals Management Service recently published an estimate of undiscovered conventional oil and gas resources in the United States.

Question: When is the next estimate scheduled to be conducted?

Answer: The U.S. Geological Survey (USGS) and Minerals Management Service (MMS) are now working towards completion of future national assessments on a five-year cycle.

Question: An earlier version of this report engendered controversy, and subsequently was reviewed by several peer groups. Is the Department taking any steps to provide for input by interested parties throughout the process of developing next estimate?

Answer: Yes. I am informed that the USGS has already met with State Geologists in the Gulf Coast seeking their input for the next assessment. Similar involvement by States, academia, and industry is planned in other regions. The National Academy of Sciences is currently reviewing the USGS and MMS methodology for future assessments. Additionally I am informed that the USGS is proposing to formalize cooperative relationships with other groups to provide an annual assessment of the Nation's oil, gas and coal resources.

Question: Are copies of the peer reviews being made available to the public?

Answer: Yes. Three reviews have been completed: one by the Association of American State Geologists, one by the Energy Information Administration of the Department of Energy, and one by the American Petroleum Institute. All three are available upon request.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

16) Question: What do you see as the Bureau of Mines' role within the Department?

Answer: The mission of the Bureau of Mines is to help ensure the United States has an adequate and dependable supply of minerals to meet its defense and economic needs at acceptable environmental, energy, and economic costs. The Bureau's emphases on environmental matters, regulatory policy analysis, strategic and critical materials, and conservation of the Nation's resources directly support Departmental concerns in these areas. The Bureau provides a key perspective on mining, minerals, and environmental issues within the Department and I expect that role to continue.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

17) Question: What is the status of the coal availability study being conducted by the Geological Survey in Kentucky, West Virginia and Virginia?

Answer: Coal availability studies have been completed as of September 1989 for nine quadrangles as follows:

West Virginia (3)	Kentucky (4)	Virginia (2)
Mammoth	Middlesboro	North Vansant
Sylvester	Noble	Wise
Beckley	Millard	
	Matewan	

I am informed that a report summarizing the data from the first four quadrangles (Sylvester, Noble, Matewan, and North Vansant) studied under this program was just completed.

It is my understanding that studies are to begin in three additional Appalachian Basin quadrangles in FY 1990. They are Hoskinston in Kentucky, War in West Virginia, and Haysi in Virginia.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

18) Question: Do you support funding for the Bureau of Mines Mineral Institute Program?

Answer: I have been informed that the Mineral Institute Program provides funding to encourage the development of mineral-related Government/industry/university research and graduate education programs at 32 State colleges and universities that provide training opportunities for mining and mineral engineers and scientists. However, while I have heard good comments on the Program, I have not had the opportunity to review the program in sufficient detail to determine whether or not I support it at this time. If confirmed, I will review the role of the Program in the context of President Bush's and Secretary Lujan's 10-point STEWARDSHIP initiative for the Department of the Interior, the Bureau of Mines mission, and the Department's overall budget priorities.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

19) In recent years, Congress has been presented with an increasing number of requests to construct rural drinking water supply systems in order to replace contaminated groundwater supplies. The Bureau of Reclamation has been involved in a number of these projects. Expertise in this area might well be of benefit to states and rural areas outside the traditional reclamation states.

Question: Do you favor expanding the role of the Bureau in this area?

Answer: The Bureau of Reclamation has a great deal of institutional expertise in providing water delivery systems and has built a worldwide reputation for engineering excellence. Upon confirmation, I will take a good look at the rural opportunities there are for a potential Reclamation presence, if the economics of such projects are favorable and determine if acceptable cost-sharing agreements can be negotiated. I would recommend Reclamation further its role in assisting in the development of rural drinking supply systems.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

20) Question: Groundwater contamination has been documented in many rural and urban areas throughout the Nation. Half the country and about 90 percent of rural America relies on groundwater for drinking water supply, so this is a matter of vital concern. I am advised that only a very small number of this country's water wells have been tested for contamination and that contaminant transport in most aquifers is very poorly understood. Proper concern for environmental well-being would seem to call for active measures to prevent groundwater contamination and to identify and restore contaminated drinking water supplies. Do you see an expanded role for the Geologic Survey or Reclamation in addressing groundwater contamination? If so, what would you recommend?

Answer: Protecting the quality of the Nation's water resources, both surface and ground water, is a key element of the Administration's environmental agenda. For a number of years, the U.S. Geological Survey and the Bureau of Reclamation have had important roles addressing water quality concerns, and I see these roles expanding. It is correct that little is known about the extent and severity of ground water contamination problems on a nationwide scale. Further, I have been advised that defining the extent of this problem is far more complex than simply conducting tests at existing well sites. In this regard, I expect the Geological Survey's expertise in water science will be called upon to provide a much needed accurate assessment of the state of the Nation's ground water resources and to answer very complex questions about how contaminants move and change in ground water. Such information is essential if we hope to be successful in taking steps to protect or restore contaminated ground water supplies. Bureau of Reclamation expertise will be essential in dealing with the protection, restoration and recharge of ground water systems. Many activities would logically involve both Reclamation and USGS in closely coordinated efforts.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Chairman Johnston

21) Question: In mid-July, this Committee requested Administration comments on S. 536, a bill introduced by Senator Garn and Senator Hatch to resolve Ute Indian water claims. The bill proposed, among other things, construction of several storage projects to serve tribal and other regional needs. To date, the Committee has received no response from the Administration. Within the past week, the Ute Tribe renounced the 1965 agreement which permitted use of tribal water for the Bonneville Unit of the Central Utah Project. Given this development, and potential legislation dealing with the Bonneville Unit, it would be helpful to know the Administration's views with regard to S. 536.

Will you please advise the Committee on the Administration's position, if you know it now, or commit to send us that information as promptly as possible?

Answer: It is my understanding that the Administration is currently reviewing S. 536, the Ute Indian Water Settlement Act of 1989. As soon as the Administration does have a position, I will promptly send that information to the Committee.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley

1) Question: As attorney for the Colorado Water Congress and other clients and as a leader in the water development community, you were involved in many actions affecting the Platte River. As you know, the Platte is subject to controversy among the basin states, between the basin states and the federal government and between development and environmental interests. In particular, the legal requirement to protect endangered whooping cranes and other migratory waterfowl has presented all Platte River interests with a tremendous challenge.

If confirmed as Assistant Secretary for Water and Science, what efforts would you undertake to resolve the Platte's water controversies? What should the Bureau of Reclamation do? What mistakes has the Department of Interior made in its handling of Platte River issues?

Answer: I am well aware of the controversies surrounding the Platte River in Wyoming, Colorado and Nebraska that have been going on for many years. The issues are presently in litigation, which must be resolved before we can move forward. If confirmed, I will do everything I can to work out a resolution to these problems.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley

2) Question: A leading national environmental organization, the Environmental Defense Fund, wrote to the Committee expressing some concern with, though not opposing your nomination. I understand that Mr. Underwood was copied, and I assume that you have seen a copy by this time. The letter reads in part: "Messrs. Sayre and Underwood, to this point in their careers, have not demonstrated a real interest in working with environmentalists to accomplish improvements in western water management which benefit both existing water users and potential new claimants to the West's limited water resources, including especially those in environmental and Native American communities. The past records of the President's nominees give us little reason to be hopeful that they will contribute positively to a continuation of the progress which has been achieved in the development of consensus-oriented western water policies."

EDF's opinion suggests that you are not likely to embrace the new, balanced mission of the Bureau. Is that true? If so, it is a point of considerable concern. Will you please comment on the merits of EDF's concerns?

Answer: I am enthusiastic about the mission of the new Bureau and I believe Reclamation has made a good beginning, but there is still much to be done. I want to move the Bureau ahead. There are some real challenges involved with the new mission, and that was one of my principal objectives in seeking the position of Assistant Secretary. Of course I will be working with environmental, Native American and other constituent groups in accomplishing this. The Department has been doing so for sometime, and I will also look forward to continuing this open dialogue.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley

3) Question: Do you think that the Federal government should promote and encourage negotiated settlements of Indian water rights disputes?

What role should the Bureau of Reclamation play in helping to resolve those disputes? What about Federal reclamation projects which have received and continue to receive large subsidies from the Federal government? Should they be encouraged or required to assist in providing solutions by, for example, allowing Indian tribes to make use of their existing facilities or exchanging or conserving water?

Answer: I certainly do support negotiated settlements of Indian water rights disputes and I will encourage negotiated settlements. Hopefully they can be accomplished by consensus.

President Bush, in his statement of June 21, 1989, on the signing into law of the Puyallup Tribe of Indians Settlement Act of 1989, articulated his Administration's position on disputes over Indian water rights when he stated, "the Administration favors negotiated settlements over litigation." Toward that end Secretary Lujan has created, within the Department of the Interior, a Water Policy Council and a Working Group on Indian Water Settlements that reports to that Council. Because of the large number of potential negotiated settlements relating to Indian water rights, the Secretary has decided that negotiating teams will be established by the aforementioned Working Group and that negotiations will be conducted by these teams instead of by a single negotiator. It is intended that each team will speak on behalf of all agencies within the Administration during the resolution of disputes involving Indian water rights through negotiations. The Bureau of Reclamation certainly has an important role to play as a member of these teams.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley

4) Question: The Secretary of the Interior recently approved a trust arrangement involving the Boswell farm properties in California. Under this plan, the Boswell Company transformed its 23,000 acre Boston Ranch into a new trust benefitting in direct proportion to their salaries some 250 of the Boswell Company's salaried employees, including Mr. Boswell himself. The trustee is a bank on which Mr. Boswell serves as a director. The trustee bank has agreed to hire the Boswell Ranch Company, a wholly-owned subsidiary of the Boswell Company, to operate and manage the 23,000 acres. The income to the trust will pay the Boston Ranch Company the expenses of running the farm, plus an added fee of over $1 million each year. At the end of the ten-year term of the trust, the 23,000 acre trust property will be sold at its "wet" value -- estimated to reward the Boswell Company's trust beneficiaries with a $28 million capital gain. It appears that Mr. Boswell will relinquish very few of the benefits of outright ownership during the period of the trust and will continue to receive federally subsidized water from the Bureau.

Do you believe that this elaborate corporation reorganization is consistent with the goals of the Reclamation program? Do you believe that this profit-sharing plan is consistent with the mandate of the Reclamation Reform Act which intended to limit federal water subsidies to farms not larger than 960 acres? If not, what would you suggest that Congress do to eliminate this situation?

Answer: It is my understanding that the goals of the Reclamation program have been met through this reorganization insofar as the interest of each beneficial owner of the lands (the beneficiaries of the trust) does not exceed his or her respective 960-acre entitlement under the discretionary provisions or 160-acre entitlement under prior law.

It is also my understanding that the Reclamation Reform Act (RRA) did not limit the receipt of the Federal irrigation water to trusts that own 960 acres or less. Section 214 of the Act specifically authorizes the delivery of Federal irrigation water to lands owned by a trustee up to the cumulative ownership entitlements of the beneficiaries of the trust. In light of that provision of the RRA, the Westhaven Trust is consistent with the Act. To limit Federal irrigation water to trusts not larger than 960 acres, Congressional action must be taken to further amend or repeal Section 214 of the RRA.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

1) Question: Has your law firm represented any clients in the last eight years who are recipients of water from federal reclamation projects? Who are those clients?

Answer: Yes.

a) Northern Colorado Water Conservancy District, Loveland, Colorado - the operator of the Colorado-Big Thompson Federal Reclamation Project.

b) City of Greeley, Colorado - an allottee of project water.

c) Melody Homes, Inc. - a real estate developer and an allottee of project water.

d) Colorado State University - a bond client and an allottee of the project.

e) City of Fort Collins, Colorado - a bond client and an allottee of the project.

f) There may be several other allottees of project water represented by the firm which I do not remember or do not know about. I have not personally represented an allottee in acquiring an allotment of project water.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

2) Question: Has your law firm represented any clients in the last eight years who receive power generated by federal projects? Who are those clients?

Answer: Yes.

Northern Colorado Water Conservancy District, Loveland, Colorado - station power for project purposes.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

3) Question: Have you personally represented any of the clients mentioned in #1 and #2 for your law firm? If so, who are those clients? Did your representation involve issues concerning the clients' receipt or use of water or power from federal projects?

Answer: Yes.

I was principal counsel for the Northern Colorado Conservancy District, which is the repayment entity for the Colorado-Big Thompson Federal Reclamation Project. As counsel, I was attempting to ensure compliance with the provisions of the repayment contract for both water and power.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

4) Question: If confirmed, issues may come before you in your capacity as Assistant Secretary directly involving a former client of yours or your law firm. Will you recuse yourself from such issues? If not, explain what circumstances or conditions must exist for you to recuse yourself from issues involving former clients?

Answer: As the Committee is aware, I have agreed that, upon confirmation, I will recuse myself for one year from involvment in particular matters involving my law firm and those of my clients listed on my financial disclosure form.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

5) Question: Similarly, issues may come before you in your capacity as Assistant Secretary which will affect or have some impact on a former client. Will you recuse yourself from such issues? If not, explain what circumstances or conditions must exist for you to do so.

Answer: Should such issues come before me, I intend to seek the advice of the Department's ethics officer.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Bradley on behalf of Congressman Miller

7) Question: Explain the basis or the guidelines you will use when deciding to recuse yourself from matters affecting your clients or your firm's clients.

Answer: As the Committee is aware, I have agreed that, upon confirmation, I will recuse myself for one year from involvement in particular matters involving my law firm and those of my clients listed on my financial disclosure form. Thereafter, should such issues come before me, I will seek the advice of the Department's ethics officer.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

1) Question: California Fish and Wildlife: Fish and wildlife resources in California have been substantially impacted by the Central Valley Project in California. Anadromous fisheries and migratory waterfowl populations are continuing to decline. The decline of fish and wildlife resources has been caused in large part by the construction and operation of the Central Valley Project. The Department has done virtually nothing to mitigate these fish and wildlife losses. Explain why the federal government, specifically the Interior Department, should not formulate a comprehensive program to restore fish and wildlife in California's Central Valley. What will you do to rectify this long-standing problem?

Answer: The Department of the Interior and the Bureau of Reclamation (Reclamation) are extremely concerned about California fish and wildlife resources and any adverse impacts to these valuable resources that the Central Valley Project (CVP) operations and facilities, including non-CVP facilities, have had on fish and wildlife resources. The CVP has had an impact on these resources, as have many other events and actions within the Central Valley of California during the last 100 years. Reclamation is committed to improving the situation through the development of recovery programs for ongoing projects, and environmentally sound plans for any new water resource projects in the Central Valley.

I understand the Bureau of Reclamation has been responsive to environmental needs, but it will take time to implement many of the necessary corrective actions. In the period 1985-1988 the Mid-Pacific Region spent in excess of $150 million on fish- and wildlife-related efforts. This amounts to approximately 36 percent of the Region's total expenditures. In fiscal year 1989, Reclamation estimates that in the Mid-Pacific Region approximately 67 percent of total expenditures will be in response to fish and wildlife concerns. Reclamation projects future budgets for the Region will continue to be directed toward fish- and wildlife-related issues.

I understand that, at the direction of the Secretary, Reclamation has initiated a program to study avenues available to restore fish and wildlife in the San Joaquin River system, and is committed to a program to both enhance and protect the fish and wildlife in California in coordination with State and Federal fishery agencies. I support these endeavors.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

2) Question: Surplus Crops: Bureau of Reclamation projects supply irrigation water to over 12 million acres in 17 Western states. In recent years, as much as 45% of those lands have been devoted to the production of crops declared to be in surplus supply. This means the Department of the Interior is providing water at subsidized rates to irrigators who, in turn, use this water to grow crops which the Department of Agriculture is spending considerable resources to reduce. Two federal programs appear to be in conflict with one another and the taxpayer is footing the bill for both providing the water and for reducing the crops the water is used to grow. Explain why the federal government should not take steps to limit or halt the use of subsidized irrigation water from Bureau projects for the production of surplus crops.

Answer: I recognize the Congressman's concern regarding subsidized water and surplus crops. However, in reviewing this situation I want to be sure that any fiscal analyses of systems pertaining to subsidies take into consideration the financial impacts that curtailing crop or water subsidies could have on family farms, on certain communities, and across classes of crops. I am particularly concerned about those areas of the country which have short growing seasons and are heavily dependent on established patterns of crop production and water supply. In considering subsidies established in present laws and upon which many communities have been built, we need to consider not only the fiscal impact of these statutes, but also, the social effects that change would have on many people.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

3) Question: Water Conservation: In July, 1986, the Western Governors Association published a report on western water ("Western Water: Tuning the System"). The report discussed a number of initiatives which the Department and the states could undertake to improve efficiencies in water use. It found that agriculture has rights to about 85 percent of the water in the west and that if farmers could save ten percent of this water, it would double the current supply available to municipal and industrial users. This would provide enough water to meet urban demands in many areas until the 21st century and it can be done without reducing agricultural output. What steps will you take to ensure that farmers using water from Bureau of Reclamation projects adopt efficiency improvements and save water for other important uses, such as municipal water supplies or for fish and wildlife?

P.L. 100-516 also places certain water conservation responsibilities on the Department of the Interior. The Administration strenuously opposed this provision. What steps will you take to implement a water conservation policy and program for users of Bureau of Reclamation water?

Answer: I understand that the Reclamation Reform Act and the Bureau of Reclamation regulations require that districts prepare water conservation plans. If confirmed, I would stress compliance with these plans. In addition, there may be a number of opportunities for Reclamation to work with the States and the Department of Agriculture to improve water conservation and efficiency of use. I will encourage such cooperative efforts. Also, I understand Reclamation has underway a number of conservation activities such as research on basin management, conjunctive use of ground water, canal lining, installation of metering devices, and other similar types of work. This work is part of the Bureau's new direction and will be given a high priority.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

4) Question: Groundwater: Groundwater depletion and contamination are serious problems in the 17 Reclamation States. Some activities of the Department have contributed to and exacerbated these problems. Furthermore, the Department has, in the past, built expensive water projects in response to problems created by overdrafting groundwater supplies. Such projects would not have been needed if the groundwater had been properly managed and conserved. What steps will you take to ensure that groundwater supplies are protected and well-managed in the 17 Reclamation States? Do you favor legislation, such as H.R. 2521, which requires that those States with groundwater problems develop groundwater management plans?

Answer: I certainly agree ground water depletion and contamination are serious problems in the 17 Reclamation States. The Bureau of Reclamation is placing increasing emphasis on ground water quality and ground water management. If confirmed, I will do everything I can to assure that the Bureau addresses ground water issues through a variety of mechanisms, including technical assistance, research and demonstration projects, and legislative initiatives, as appropriate, recognizing that the primary responsibility for ground water protection, maintenance, and improvement is with State and local governments. Also, the U.S. Geological Survey has cooperative programs with many States, and operates several programs to study and assess ground and surface water contamination.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

5) Glen Canyon Dam Operations and Environmental Impact Statement: Secretary Lujan has decided to prepare an environmental impact statement (EIS) on the operation of Glen Canyon Dam. Because of the effects on downstream resources in the Grand Canyon, the economic implications, and the intense public interest, this will probably be one of the most important EIS's ever prepared by the Bureau of Reclamation. Four issues are critical:

Question: GCES Staffing. What commitment do you think should be made to ensure adequate full-time, permanent professional staff in the Glen Canyon Environmental Studies office?

Answer: I believe we should distribute staff resources so that a thorough environmental impact statement can be prepared. As Secretary Lujan pointed out when he requested the Bureau of Reclamation to prepare the EIS, the Glen Canyon Environmental studies currently underway will be the basis for this document. This approach promises to save the taxpayers money and shorten the time needed to complete the EIS. If confirmed, I will do my best to assure that adequate resources are available to complete the EIS in a timely manner, including adequate scientific input from the Environmental Studies.

Question: Interim Release Levels from Glen Canyon Dam. Do you think water release patterns from Glen Canyon Dam should be considered while the EIS process is underway?

Answer: It is my understanding the EIS will consider all relevant factors, as defined during the scoping process. Interim release levels will almost certainly be identified as one of the factors to be considered, and I would support such consideration.

Question: Minimum Flows. Do you believe minimum releases from Glen Canyon (e.g., 3,000 cfs) should be considered to prevent unnecessary fish kills below the dam?

Answer: Minimum releases are another factor likely to be considered during the EIS scoping process. As you pointed out earlier, this EIS will be one of the most important studies prepared by the Bureau of Reclamation. I would like to see it become a model of how to be responsible to both the environment and the economy and will work to achieve that goal.

Question: Coordination with WAPA. The Administrator of the Western Area Power Administration (Western) announced on September 18, 1989, that Western would begin preparation of an environmental impact statement on its Post-1989 Salt Lake City Area Power Marketing Criteria. Obviously power generation practices at Colorado River Storage Project Facilities -- including Glen Canyon Dam --are a critical issue to be addressed in that EIS. How should the Department of the Interior coordinate its GCES/EIS effort with Western's work on the Post-1989 Criteria EIS?

Answer: I am informed that the Bureau of Reclamation, which will prepare the Glen Canyon EIS, and Western have an excellent working relationship. The Bureau will work closely with Western as EIS's are prepared.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

6) Question: Grand Canyon Air Pollution: The Environmental Protection Agency has determined that wintertime visibility impairment in the Grand Canyon "may be reasonably attributable" to the Navajo Generating Station. Since the Bureau of Reclamation owns nearly a one-fourth share in the Navajo facility, the Bureau could face a substantial financial burden if EPA orders the installation of scrubbers or other expensive pollution control equipment. Who should be responsible for paying these costs?

Answer: I have been informed that the Bureau has entitlement to approximately 24 percent of the station's output. The Department is reviewing what legal obligations and legal authority it has relative to the Navajo facility. Once that determination is made, Secretary Lujan will be in a position to assess what the Department's potential role might be in funding costs for pollution control equipment at the Navajo Plant. I am, of course, very concerned about the visibility issue at the Grand Canyon and will work closely with Secretary Lujan on this if I am confirmed.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

7) Question: Irrigation Drainage: Hundreds of thousands of acres of land irrigated with water developed by Bureau of Reclamation projects in the West have serious drainage problems. The Department has documented many instances in which the drainage waters from these lands result in significant contamination of water resources and wildlife habitat. What level of commitment should the Department make to solving these problems? Who should pay for these solutions?

Answer: The Department is committed to solving water resource and wildlife habitat contamination problems that have resulted from drainwater from Bureau of Reclamation projects. I have been informed that the National Irrigation Water Quality Program (NIWQP) housed in the Office of the Assistant Secretary for Water and Science provides oversight for the San Joaquin Valley Drainage Program (SJVDP) and the Kesterson Program. Additionally, the NIWQP manages a program to examine other areas where contamination problems may exist. I have also been informed that remediation is underway for the Kesterson Program and remediation planning is underway for both Kesterson and the San Joaquin Valley.

It is my understanding several possibilities are being considered regarding repayment for Kesterson and San Joaquin Valley remediation. These range from considering cleanup to be part of distribution and drainage costs and, therefore, to be paid by the water users, to total responsibility of the Federal Government for cleanup, and all options in between. I will review all of these options.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

8) Question: Central Utah Project (CUP): Do you support reauthorization of this project and an increase in the cost ceiling to allow construction of the irrigation and drainage system? How should the Department address Indian water issues affecting the CUP?

Answer: Secretary Lujan stated his position on the Bonneville Unit of the Central Utah Project in his January 30, 1989, written response to the Committee to a question submitted by Senator Garn following the Secretary's January 26, 1989 confirmation hearing. In his response, the Secretary stated the following:

1. "The Bonneville Unit is substantially underway and should be completed."

2. "Current plans include the Irrigation and Drainage System."

3. "I understand that the method of financing [the Irrigation and Drainage System] is under study and I will review the proposals being studied by water entities, environmental interests, and power users."

I agree with the Secretary's position, and, upon confirmation, will assist him with his review of various financing proposals. It is my understanding the Department prefers to negotiate Indian water issues affecting the Central Utah Project and has established an Indian Water Settlements Working Group to conduct such negotiations.

John M. Sayre
Assistant Secretary for
Water and Science-Designate

Senator Bradley on behalf of Congressman Miller

9) Question: California Water Quality Standards: The State of California is currently considering new water quality standards for the Sacramento-San Joaquin Delta. How will this standards-setting process influence your decisions on operation of the Central Valley Project and previous proposals to market the remaining unallocated yield of the CVP?

Answer: I understand the Bureau of Reclamation currently operates the Federal Central Valley Project (CVP) so as to meet current water quality standards established by the State of California. On May 25, 1989, Secretary Lujan directed the Bureau to revise and reissue for additional public comment draft environmental impact statements for proposed water marketing programs in the Sacramento River, American River, and Delta Export Service Areas of California. It is my understanding this revision will take into account, to the extent appropriate, the current State of California consideration of new water quality standards for the Sacramento-San Joaquin Delta.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Wallop

1. STATE PRIMACY

Gentlemen, I am beginning to see a disturbing trend of federal interference with state's rights which can only result in chaos if it continues.

The new mission of the Bureau -- as it shifts from constructing large water projects to focusing on more effective, efficient management of water resources -- has great potential to step on the rights of the states in the allocation of their water resources.

Let me give you an example of what recently happened on the Platte River in my home State of Wyoming.

In May of this year Goshen Irrigation District executed an agreement to borrow water from Casper-Alcova Irrigation District. Wyoming's State Engineer then issued an order approving that agreement. The Bureau of Reclamation, however, refused to release the water until 1) the irrigation districts contracted with them, with the concurrence of the State of Nebraska and 2) until the environmental impact could be analyzed. (It is never good policy to allow the State of Nebraska veto power over the administration of Wyoming water).

Every drop of the water legally belonged to Wyoming irrigation districts and the transfer would have occurred entirely within our state. The loan had been approved with full consultation, involvement and approval of the State of Wyoming and the Bureau had never interferred with similar water loan arrangements in past years.

Yet, instead of facilitating the transfer the Bureau obstructed Wyoming irrigators from borrowing enough water to relieve the serious drought conditions which they were facing.

Wyoming irrigators believe that Reclamation intruded in this matter for no identifiable reason other than to perpetuate its own bureaucracy. They feel frustrated that the Bureau will not let them run their districts upon which their very livelihood depends.

Question: I understand that you favor state/federal partnerships with regard to the management of water resources, Dennis. Will you reaffirm the long standing primacy of states over water allocation decisions, respect state law with regard to water rights and direct your agency's programs operate in concert with state water law programs?

Answer: Secretary Lujan has consistently said that States have the primary authority for determining basic water rights and entitlements on the basis of beneficial use, water quality, and other regional considerations. However, he also recognizes that the Department and its bureaus must carry out their missions as set out by the Congress in legislation and legal obligations as expressed in court orders. I agree and expect to follow these policies and obligations when overseeing the work of the Geological Survey and the Bureau of Reclamation.

John M. Sayre
Assistant Secretary for Water
and Science-Designate

Senator Wallop

2. FEDERAL NEGOTIATOR FOR INDIAN WATER SETTLEMENTS

Disputes over Indian water rights are becoming a major problem for Western states and Indian Tribes. The State of Wyoming and the Wind River Tribes are but one example. Having recently ended a lengthy and very expensive lawsuit they now face almost as many unresolved questions as before the suit was filed. Negotiated settlements are best to speed resolution of these controversies in a way which brings economic development to the reservations and minimizes disruptions to non-Indian irrigators. It is important that the federal government participate in these negotiations in a consistent and dependable manner.

Question: Would you support and actively encourage the appointment of one federal negotiator to speak on behalf of all agencies within the Administration to aid in resolution of these disputes?

Answer: President Bush, in his statement made June 21, 1989, on the signing into law of the Puyallup Tribe of Indians Settlement Act of 1989, articulated his Administration's position on disputes over Indian water rights when he stated that "the Administration favors negotiated settlements over litigation." Toward that end, Secretary Lujan has created, within the Department of the Interior, a Water Policy Council and a Working Group on Indian Water Settlements which reports to that Council. Because of the large number of potential negotiated settlements relating to Indian water rights, the Secretary has decided that negotiating teams will be established by the aforementioned Working Group and that negotiations will be conducted by these teams instead of by a single negotiator. It is intended that each team will speak on behalf of all agencies within the Administration during the resolution of disputes involving Indian water rights through negotiations. I agree with the President's statement and the Secretary's approach to resolving the problems.

Department of the Interior
18th and C Streets, N.W.
Washington, D.C. 20240

OCT 2 1989

Honorable J. Bennett Johnston
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed you will find my responses to the questions for the record following my confirmation hearing before the Senate Energy Committee on September 28.

If I can be of further assistance to you, please let me know. I look forward to working with you and your colleagues in the coming months.

Sincerely,

Dennis B Underwood

Dennis B. Underwood
Commissioner of Reclamation-Designate

Enclosures

cc: Honorable James A. McClure, Ranking Minority Member
Committee on Energy and Natural Resources
United States Senate

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

1. Question: Have you ever been investigated, arrested, charged or held by any Federal, State or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, please explain.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

2. Question: Have you ever been convicted (including a plea of guilty or nolo contendra, of any criminal violation other than a minor traffic offense?

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

3. Question: Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please fully describe such relationship.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

4. Question: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

5. Question: If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouses's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

6. Question: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

7. Question: Have you or your spouse ever registered under the foreign Agents Registration Act? If so, please furnish details.

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

8. Question: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing? If not, please explain.

Answer: Yes.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

9. Question: Have all your Federal, State, and local taxes always been paid on time? If not. please explain.

Answer: Yes.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

10. Question: If confirmed, are there any known limitations on your willingness or ability to serve for your full term or until the next Presidential election, whichever is applicable?

Answer: No.

Dennis B. Underwood
Commissioner-Designate

Chairman Johnston

11. Question: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: I can think of no information which the Committee would want to be aware of in considering my nomination.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

1. Question: The Bureau's Mid-Pacific Region is continuing its efforts to market a portion of the remaining uncontracted firm yield of the Central Valley Project. When the Water and Power Subcommittee held an oversight hearing in California just under a month ago, the chairman of California's Water Resources Control Board testified that the Bureau's new water marketing efforts should be postponed until the State Board completed its assessment of San Francisco Bay/Sacramento-San Joaquin Delta water quality needs. It seems apparent that the Mid-Pacific Region is using its discretion to directly frustrate State policy and administrative prerogative. Does this reflect well on the Bureau? If not, how do you intend to remedy the situation?

Answer: I have been informed the Bureau of Reclamation currently operates the Federal Central Valley Project (CVP) so as to meet current water quality standards established by the State of California. I understand that on May 25, 1989, Secretary Lujan directed the Bureau to revise and reissue for additional public comment, draft environmental impact statements for proposed water contracting programs in the Sacramento River, American River, and Delta Services Areas of California. It is my understanding this revision will take into account, to the extent it is completed and appropriate, the current State of California consideration of new water quality standards for the San Francisco Bay/Sacramento-San Joaquin Delta.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

2. Question: At the same oversight hearing, the chairman of California's Water Resources Control Board testified that it would be in the state's interest if the Bureau would limit the term of CVP water supply contracts to 10 years or so -- not the 40 years planned by the Bureau. In this area, too, the Mid-Pacific Region is applying its discretion in a manner that fails to give adequate weight to California's interests. How does this reflect on the Bureau? If you think it is undesirable, how would you remedy the situation?

Answer: The Bureau's water rights are specified in permits issued by the California Water Resources Control Board, and it is my understanding the State can implement water rights adjudication proceedings at any time to investigate use and distribution of water under State law.

I understand Secretary Lujan consulted widely, especially with the State of California, before making the decision to renew the 40-year contract. In making his decision, Secretary Lujan said: "The State of California has the primary authority to determine basic water rights and entitlement on the basis of beneficial use, water quality, and other regional considerations. This principle of State primacy is one which must be respected at the Federal level, and is entirely consistent with this contract renewal." The Secretary specifically directed the Bureau to work with California to conduct environmental studies as a prelude to implementing an environmental recovery program for the San Joaquin River Basin.

Upon confirmation, I will continue to work with the State of California to ensure State primacy, and to consider California's interests.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

3. Question: The winter run chinook salmon of the Sacramento River is now a threatened species under the Federal Endangered Species Act. They have been listed under California law, as well. Fisheries experts project that their numbers are likely to continue to decline toward extinction. A major share of the blame for the damage to this important resource lies with the Bureau's Central Valley Project, particularly Shasta Dam and Red Bluff Diversion Dam. The adverse impacts of these CVP facilities have been well known for years. Some slow progress is being made at Red Bluff, but the Bureau has brought this Committee no proposed legislation to address the critical water temperature problems below Shasta. How does this reflect on the Bureau? What should the Bureau do to meet its responsibilities under the Endangered Species Act? Should we expect legislation from the Administration?

Answer: I am informed that well before the listing of the winter run chinook salmon as a threatened species, the Bureau initiated efforts to address the declining population. In early 1988, the Bureau joined California Fish and Game, the National Marine Fisheries Service, and the U.S. Fish and Wildlife Service in a cooperative agreement to take specific operational actions to aid in the salmon restoration effort.

The National Marine Fisheries Service has indicated it will incorporate these efforts in the restoration plan now being developed as authorized by the Endangered Species Act.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

4. Question: The Director of California's Department of Fish and Game testified before the Water and Power Subcommittee that, in California's view, it is time to implement the Bureau's report on Central Valley wildlife refuge water supply needs. The Bureau, however, appears to have no immediate plans to implement the report. This is an important program that will be vital to the success of the North American Waterfowl Management Plan. If the State is ready to move on this, why isn't the Bureau? Should we expect any action soon from the Bureau?

Answer: Providing Central Valley wildlife refuges with dependable and adequate water supplies is a high priority, as is the success of the North American Waterfowl Management Plan. Upon confirmation, I will certainly pursue both of those goals. It is my understanding Reclamation is assessing the opportunities for and the potential impacts of allocating uncommitted Central Valley Project water for refuges as part of the Water Contracting EIS's now being revised at Secretary Lujan's request.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

5. In California's Central Valley, toxic agricultural drainage is a matter of serious concern. Virtually every witness at the August 29 Water and Power Subcommittee hearing in California stressed the critical importance of solving the drainage problem. The Kesterson Refuge crisis highlighted the problem, but in the long run perhaps the greatest threat is to irrigated agriculture itself. Almost a million acres of San Joaquin Valley farmland has contaminated groundwater within five feet of the surface. If current trends continue, by the year 2000 almost half of the west side will have groundwater near the surface. Almost all of this land is irrigated with Bureau water. The Bureau should be taking aggressive steps to address this problem.

Question: In your opinion, does the Secretary of the Interior, through the Bureau of Reclamation, have the authority to impose drainage management conditions or obligations on Central Valley Project contractors? Has a solicitor's opinion been requested on this questions? Should one be requested?

Answer: I have been informed that the Secretary has the authority, through the Bureau of Reclamation, under Reclamation law, to impose drainage management conditions and/or obligations in contracts with water users. However, the Secretary's imposition of such conditions must be supportable by an irrigation suitability land classification. The Bureau must also consider whether the conditions imposed will threaten the financial viability of the project. Some examples of contractual tools available to the Secretary are water conservation plan requirements and drainage reserve fund clauses in contracts. Because the Secretary does indeed have this authority, no Solicitor's opinion is necessary on this issue.

Question: Assuming the contracts can be modified, either during their term or on renewal, how could Central Valley Project contracts be reshaped to address the toxic irrigation drainage problem? Do you know whether any consideration is being given to including contract terms concerning drainage? If so, what? Will the Department develop and evaluate alternative contract terms and conditions as part of the non-NEPA environmental review that it is conducting in connection with the contract renewals?

Answer: I have been informed that in those areas where drainage was identified as a problem, provisions were included in contracts to provide for funds to construct drainage facilities. San Luis Unit contracts include charges for drainage facilities and contract provisions can be written to provide additional funds for drainage facilities to solve drainage problems.

I am told the San Joaquin Valley Drainage Program is exploring alternatives to provide such drainage service. This Departmental study provides information on drainage and related conditions and problems in the Valley, identifies a wide range of options that potentially could contribute to management of the problems, and presents a preliminary alternative utilizing currently available technology.

Question: What could the Bureau do to address the drainage problem if it allows existing CVP contracts to be renewed without including terms imposing drainage management obligations?

Answer: Upon confirmation, I will ensure the Bureau will continue to study the drainage problems in all project service areas. Management plans or facilities construction will be recommended where appropriate. Every effort will be made to maintain the irrigation viability of the Reclamation projects, taking into consideration environmental and economical consequences.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

6. Question: The Reclamation Reform Act requires development of water conservation plans by Bureau water contractors. To date, the Bureau of Reclamation has done almost nothing to require that water conservation plans be implemented. The Bureau's less-than-wholehearted commitment to water conservation is reflected in the fact that, for the whole of the Mid-Pacific Region, less than one FTE is assigned to water conservation.

Do you think this response is consistent with congressional intent? Do you believe that any benefits could be achieved through implementation of water conservation plans throughout the Central Valley Project or elsewhere? In the areas of fish and wildlife? Drainage control?

Answer: I understand the Reclamation Reform Act and Bureau of Reclamation regulations require districts to prepare water conservation plans. Upon confirmation, I will stress compliance with these plans. In addition, there may be a number of opportunities for the Bureau to work with the States and the U.S. Department of Agriculture to improve water conservation and efficiency of use. I will encourage such cooperative efforts. Also, I understand Reclamation has underway a number of conservation activities such as research on basin management, conjunctive use of ground water, canal lining, installation of metering devices, assistance in voluntary water transfers, and other similar types of work. I believe these activities, which are part of the Bureau's new direction, will have a beneficial effect and will be given a high priority.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

7. Question: During the Subcommittee's California hearing, almost every witness stressed the importance of water conservation and increased efficiency in meeting that state's future water needs. If reclamation water previously going to waste is conserved, do you believe that the Bureau has legal authority -- under reclamation law -- to market the conserved water to other users? If so, wouldn't this provide a relatively painless and valuable source of increased revenues to the Federal government? Wouldn't it speed up the government's recovery of its investment in reclamation projects?

Answer: Water conservation is indeed an important tool in meeting water needs. The Department, to my understanding, has not addressed the complex legal issue of the Bureau's authority to market conserved water. Especially important to the resolution of this issue are the restrictions and requirements of California law. It is my understanding that California law specifically addresses water conservation and these provisions, as well as provisions of Federal law and contracts, will have to be seriously studied before the Bureau could undertake to market conserved water.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

8. Question: As Executive Director of the Colorado River Board of California, you opposed efforts by members of Congress and the public to encourage the Secretary of the Interior to review Glen Canyon Dam operations through the National Environmental Policy Act. In July, Secretary Lujan directed the Bureau of Reclamation to prepare an EIS on Glen Canyon Dam operations. Will you please explain the basis of your opposition to the course ultimately chosen by the Secretary, and advise the Committee whether you anticipate any difficulties in fully and wholeheartedly implementing his directive.

Answer: The Governor's representatives of the Colorado River Basin States, have long been concerned with the direction and management of the Glen Canyon Environmental Studies and have repeatedly urged their timely completion. I represented the State of California in this group. The purpose of these studies was to develop necessary data on the impact of Glen Canyon Dam operations on downstream recreational and environmental resources for consideration in the operation of the Dam.

The Basin States believed the most appropriate and timely means to develop the necessary data for the decision process was through the Glen Canyon Environmental Studies' process. The Secretary consulted with the Basin States' representatives in accordance with Public Law 93-537 on this issue and chose to pursue an Environmental Impact Statement (EIS) to develop the necessary data for the decision process. At that time, the Basin States' representatives, including myself, pledged their support in the development of the EIS. I fully support the objective of developing sound data, and, if confirmed, will aggressively pursue a timely completion of the EIS.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

9. Question: As Executive Director of the Colorado River Board of California, you participated in discussions concerning augmentation of Colorado River flows. In the minutes of the Board's March 2, 1987, meeting, a resolution was passed stating that river augmentation would be required by the turn of the century. Would you please inform the Committee whether you consider out-of-basin transfers to be a practical means to address any projected shortfall in Colorado basin water supplies. What other means might make sense?

Answer: There was no meeting of the Colorado River Board of California on March 2, 1987. I believe the reference should be to a March 11, 1987, meeting.

Out-of-basin transfers may not be a practical means to address any projected shortfall in Colorado River Basin water supplies, or to fulfill the Federal obligation to augment the Colorado River pursuant to the 1968 Colorado River Basin Storage Act. In fact, since 1968, there has existed a legislative moratorium on Federal studies of water importation to the Colorado River Basin.

The most feasible means to augment the River appear to be precipitation management and vegetative management. It is important that Federal research in these areas be actively continued in order to reach a timely decision as to their feasibility for increasing water yield. Additional work must also be carried out as to the institutional, legal, and environmental impact aspects.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

10. Question: What is your understanding of the Federal government's trust responsibility to Indian tribes? Explain your view of the relationship between the Federal government and Indian tribes.

Answer: Secretary Lujan in his January 30, 1989, written response to the Committee to a question submitted by Senator Hatfield following the Secretary's confirmation hearing on January 26, 1989, stated: "As Secretary, I will do my utmost as trustee to protect the trust resources of individual Indians and Tribes and work with the Tribes and individuals to protect the use of those resources for their highest and best use. Improved uses of Indian natural resources will assist in Indian self-determination and self-sufficiency." I am in total agreement with Secretary Lujan's statement, and, if confirmed, will do my utmost to support him in his trustee role. To my understanding, the relationship between the Federal Government and Indian Tribes is on a government-to-government basis, and I fully intend to work with Indian Tribes as governments.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

11. Question: What is your view of the Bureau of Reclamation's role in fulfilling the Federal government's trust responsibility? Is the Bureau soley an advocate of reclamation projects, or does the Bureau, as an agency of the Federal government responsible to the Secretary of the Interior, have an obligation to carry out the trust obligation to Indian Tribes?

Answer: The Bureau of Reclamation's responsibilities cannot be carried out in isolation from the Secretary of the Interior's many other program responsibilities. In a July 14, 1989, memorandum, the Secretary instructed all bureaus and office heads that in the conduct of our various program operations, we must consider our trust responsibility to Indian Tribes. I fully intend to implement this directive.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

12. Question: Is there anything in your background or experience which would aid you in carrying out the trust responsibility to Indian tribes? Have you dealt with any Indian issues? If so, how? Have you ever advocated a pro-Indian position? If so, when?

Answer: My background and experience in water resources planning, development, use, conservation, and management can certainly be beneficial in assisting Indian tribes and the Bureau of Indian Affairs in the development of reservation lands. In my capacity as Executive Director of the Colorado River Board of California, I also have experience working with Indian tribes on Colorado River matters and have established relationships with the lower Colorado River tribes in California by working cooperatively with them on Colorado River matters.

As California's State Official charged with protecting California's interests and rights in the water resources of the Colorado River system, I pursued activities that would be beneficial to all California River water users, including Indian tribes. Most recently, as Chairman of the Steering Committee of the Colorado River Floodway Task Force, I actively pursued, with representatives of the five lower Colorado River Indian tribes, the development of recommendations to the Congress to assist the Indian tribes in flood control and flood plain management pursuant to the Colorado River Floodway Protection Act, Public Law 99-450.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

13. Question: What would you be willing to do as Commissioner of Reclamation to encourage and promote negotiated settlements of Indian water rights disputes?

Answer: President Bush, in his statement made June 21, 1989, on the signing into law of the Puyallup Tribe of Indians Settlement Act of 1989, articulated his Administration's position on disputes over Indian water rights when he stated: "the Administration favors negotiated settlements over litigation." Toward that end, I understand Secretary Lujan has created, within the Department of the Interior, a Water Policy Council and a Working Group on Indian Water Settlements which reports to that Council. Because of the large number of potential negotiated settlements relating to Indian water rights, the Secretary has decided negotiating teams will be established by the aforementioned Working Group and negotiations will be conducted by these teams instead of by a single negotiator. It is intended that each team will speak on behalf of all agencies within the Administration during the resolution of disputes involving Indian water rights through negotiations. I also understand the Bureau of Reclamation will support the President and the Secretary by being an active participant in the Working Group.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

14. Question: As Executive Director of the Colorado River Board of California, you were active in efforts to eliminate in-state and inter-state Indian water marketing provisions from the Colorado Ute and Ute Mountain Ute water settlement considered in the 100th Congress. The minutes of the Boards's March 2, 1987, meeting indicate that you advised the Board that the settlement "poses a serious threat to Colorado River water user's priorities to Colorado River water, is contrary to the "Law of the River", and would set an extremely dangerous precedent, especially in light of the previous claims of the Navajo Tribe...[The] agreement is fashioned to develop water for Colorado and New Mexico, to settle Indian water right claims, and to afford protection of exiting non-Indian water users in Colorado, but at the expense of the other Basin states' interests and rights in the Colorado River System."

The settlement did not call for a diversion out of the Basin, and did not threaten to increase Colorado's use of the river above its compact entitlement. It did threaten to complicate upper and lower basin accounting and did threaten to set the precedent that the users of Indian water might have to pay for it. Did you have other concerns? If so, what were they? As an economic matter, isn't it at least theoretically desirable for the Colorado Basin states to be able to market their entitlement to other Basin states? If not, why not?

Does the Colorado River Compact place any legal restrictions on the ability of the Federal government to ensure fulfillment of Indian reserved water rights?

Answer: Again, the reference to a March 2, 1987, meeting of the Colorado River Board of California, I believe is in error. The March 1987, meeting of the Board was held on March 11, 1987.

The only items of concern to the Colorado River Basin States with respect to the Colorado Ute Indian Water Rights Settlement Agreement, 1986, were the provisions in the Agreement and initial proposed authorizing legislation that would allow for the Indian Tribe's Winter's reserved water rights water to be sold, exchanged, leased, or otherwise temporarily disposed of outside the boundaries of the reservations, both within and outside the State of Colorado. There is no authorization under present law that allows for such off-reservation use. These provisions would seriously impact States and entities not parties to the Agreement.

In addition, such transfers of water to the lower Colorado River Basin would be contrary to the unique use and priority scheme of the over-appropriated Colorado River, commonly referred to as "The Law of the River." Basic to this scheme is the fact that River users are only entitled to the beneficial use of water and that which cannot be beneficially used becomes part of the supply of lower priority uses whose needs would otherwise not be met. For any such transfers to be beneficial to the State in which the use is to occur would require revision to the Colorado River Compact and modification of the 1964 Supreme Court decree in Arizona vs. California to allow water use in that State in excess of its apportionment at the expense of the other Basin States.

Without an increase in a State's apportionment, under such transfers, an entity with no Colorado River water right could acquire a right to the use of River water and displace a long-term River user with a lower priority right.

One of the stated purposes of the Settlement Agreement was to avoid litigation. However, inclusion of those off-reservation and out-of-State provisions in the Settlement Act would have resulted in massive litigation, which probably would have continued indefinitely at great expense.

There are many complex legal questions with regard to the Colorado River Compact and use of Colorado River water to ensure fulfillment of Indian reserved water rights claims. Upon confirmation, I will work with the Solicitor's Office in resolving legal questions arising in the context of settlement of Indian water claims.

Answer: To my knowledge, the Colorado River Compact does not restrict fulfillment of Indian reserved water rights under present law. The use of reserved water rights not provided for under present law will generally be the areas of potential conflict.

Dennis B. Underwood
Commissioner-Designate

Senator Bradley

15. The Department of the Interior is in fundamental disagreement with the Environmental Protection Agency and the President's Council on Environmental Quality over an important piece of reclamation law and environmental law. Based on an opinion of the previous Interior Solicitor, the Department and irrigation districts associated with the Friant Unit of the Central Valley Project maintain that reclamation law provides them an absolute right of renewal for their section 9(e) water supply contracts. EPA, California's Attorney General, the environmental and outdoors communities read reclamation law differently, concluding that the districts have a qualified right to renewal. In their view, the Secretary has discretion to modify contract terms, consistent with State and Federal law. The State and environmental interests believe that the Secretary is required to comply with NEPA before using his discretion to renew the water contracts. National and California editorial opinion unanimously supports the pro-NEPA view.

In a nutshell, the policy question is whether the reclamation water use status quo should be automatically locked into place for another 40 years. The answer will undoubtedly vary from place to place. In some areas, reclamation projects provide unqualified benefits and demographics seem unlikely to change. In other areas, reclamation projects brought as many problems as they did benefits, and local water needs are changing dramatically.

Question: Instead of leaving the reclamation program on autopilot, doesn't it make a great deal more sense to take a hard, public, accountable review of an area's needs and the reclamation program's environmental impacts before committing federally developed resources for another 40 years?

Answer: On April 11, 1989, Secretary Lujan authorized Reclamation to go forward with the renewal of a forty-year water service contract with the Orange Cove Irrigation District in California. That decision was based on three fundamental principles:

First, the Secretary recognized he has substantial legal and moral obligations to the water users in the Central Valley. Second, he stated firmly his belief that the State, through its water permitting process, has final say in the beneficial uses of its water. Third, the Secretary set forth his belief that the renewal of long-term water contracts may pose environmental concerns, and that those concerns must be addressed.

On those basic premises, along with the legal right of renewal clearly set out by Congress in 1956, the Secretary concluded that renewal of the Orange Cove contract was not a discretionary action.

In reaching his decision, however, the Secretary clearly stated his concern for, and his intention to address, the potential environmental impacts of long-term water contract renewals. He directed the Commissioner to work with the State to assess opportunities for meaningful environmental recovery in the Central Valley. I am assured that effort is now under way.

By so directing, the Secretary indicated a strong desire to conduct a review of environmental needs. He did so, however, in a way that is consistent with the legal obligations he faced and that respects the State's rights.

It should also be noted that this issue is currently being litigated in Federal Court, and the Orange Cove contract, by order of the court in that case, includes a provision requiring that the final decision of the Court be fully implemented by the contracting parties.

Question: Has the Department concluded its review of the CEQ opinion?

Answer: No, I am informed that review is still underway.

Question: Has a new review of the legal questions involved in this issue been requested from Mr. Allday, Interior's new solicitor, who, unlike his predecessor, did not represent California irrigation interests prior to joining the government?

Answer: The contract renewal issue is currently under litigation in Federal Court. Mr. Allday is well aware of these issues and is now responsible for the Department's role in that litigation.

Dennis B. Underwood
Commissioner-Designate

Senator Wirth

1. Question: The Bureau of Reclamation has negotiated an agreement with the Conejos Water Conservancy District providing for the legislative transfer of ownership and operation of the Platoro Reservoir in Southern Colorado from the Bureau to the Conservancy. The purpose of the legislation is to change the current situation, in which the Bureau has not been able to operate the reservoir in a manner which delivers agricultural water on a reliable basis to the Conservancy.

Despite this, the Bureau has advised the Conservancy that construction charges in excess of $100,000 will be charged to the district this November. The Conservancy believes that until water is available on a practical basis, their contract with the Bureau cannot be put into effect, and would contest any such billing.

(a) Would you look into this matter and advise the Committee as to your impression as to whether it would not be wiser to continue to work with the Conservancy in pursuing options that would fulfill the original purposes of this project, rather than pressing to collect a highly questionable charge?

(b) Would you be willing to meet with the representatives of the Conservancy on this issue prior to any action by the Bureau on these charges?

Answer: I will be pleased to look into the matter you describe to see if it is possible to pursue other options for the Conejos Water Conservancy District as it relates to Platoro Reservoir in Colorado. One of those options, of course, is your bill, S. 1118, to sell the facility to the District. I understand, that at a recent hearing, the Bureau testified in support of the House version of the bill if questions as to liability are clarified. I will do my best to meet with representatives of the District before any final action is taken.

Dennis B. Underwood
Commissioner-Designate

Senator Wirth

2. Last year, the Congress passed several water rights settlement Acts, including the Colorado Ute Indian Water Rights Settlement Act. That Act put into effect an agreement freely negotiated and agreed to by all parties, including the Departments of Interior and Justice. A key element of that agreement was construction of the Animas-La Plata water project on a 12-year schedule, and payment of funds for economic development to the Tribes.

Will you actively pursue the funding necessary for the Bureau to fulfill its obligations under this legislation and settlement agreement?

Answer: I am aware of the importance of the Animas-La Plata water project and upon confirmation, I will do what I can to pursue its completion on the 12-year schedule.

Dennis B. Underwood
Commissioner-Designate

Senator Wallop

1. Question: I understand that you favor State/Federal partnerships with regard to the management of water resources, Dennis. Will you reaffirm the long standing primacy of states over water allocation decisions, respect state law with regard to water rights and direct your agency's program operations in concert with state water law programs?

Answer: I favor State and Federal partnerships for management of water resources. State primacy has been addressed by the Congress and the courts a number of times and the Supreme Court has held, in California v. U.S., that a State may impose conditions on control, appropriation, use, or distribution of water in a Federal reclamation project, so long as the condition is not inconsistent with project purposes.

Dennis B. Underwood
Commissioner-Designate

Senator Wallop

2. Question: Disputes over Indian water rights are becoming a major problem for Western States and Indian Tribes. Problems involving the State of Wyoming and the Wind River Tribes are but one example. Having recently ended a lengthy and very expensive lawsuit they now face almost as many unresolved questions as before the suit was filed. Negotiated settlements are best to speed resolution of these controversies in a way which rings economic development to the reservations and minimizes disruptions to non-Indian irrigators. It is important that the Federal government participates in these negotiations in consistent and dependable manner.

Would you support and actively encourage the appointment of one Federal negotiator to speak on behalf of all agencies within the Administration to aid in resolution of these disputes?

Answer: Indian water rights resolution is a significant issue that involves numerous individuals and entities often including several Federal agencies. The negotiation process by its nature is both complex and lengthy. I believe it is appropriate and I will do all I can to promote a Federal participation that is both consistent and dependable to facilitate resolution of Indian water rights issues related to Reclamation projects and activities. Interior, through its Water Policy Council and Indian Water Settlements Working Group, is currently evaluating the negotiation process. I share your concern and will involve myself in this evaluation.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

1. Question: California Fish and Wildlife: Fish and Wildlife resources in California have been substantially impacted by the Central Valley Project in California. Anadromous fisheries and migratory waterfowl populations are continuing to decline. The decline of fish and wildlife resources has been caused in large part by the construction and operation of the Central Valley Project. The Department has done virtually nothing to mitigate these fish and wildlife losses. Explain why the Federal government, specifically the Interior Department, should not formulate a comprehensive program to restore fish and wildlife in California's Central Valley. What will you do to rectify this long-standing problem?

Answer: The development of water resources for irrigation and municiapl purposes has impacted fish and wildlife resources. I want to do what I can, when confirmed, to see that the Bureau continues to work as diligently as possible to improve on the adverse impacts brought about by thwater projects. I pledge my best effort to see that the Bureau moves ahead in this area, including the studies Secretary Lujan has directed Reclamation undertake in the San Joaquin River system.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

2. Question: Surplus Crops: Bureau of Reclamation projects supply irrigation water to over 12 million acres in 17 Western States. In recent years, as much as 45 percent of those lands have been devoted to the production of crops declared to be in surplus supply. This means the Department of the Interior is providing water at subsidized rates to irrigators who, in turn, use this water to grow crops which the Department of Agriculture is spending considerable resources to reduce. Two Federal programs appear to be in conflict with one another and the taxpayer is footing the bill for both providing the water and for reducing the crops the water is used to grow. Explain why the Federal government should not take steps to limit or halt the use of subsidized irrigation water from Bureau projects for the production of surplus crops.

Answer: I recognize the concern raised by subsidized water and surplus crops. However, any analysies of these programs should take into consideration the financial impacts that curtailing crop or water subsidies could have on farms, on certain communities, and across classes of crops. Of particular concern are those areas which have short growing seasons and are dependent on established patterns of crop production and water supply. We need to consider both the fiscal and social effects that change in those policies would have.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

3. Question: Water Conservation: In July 1986, the Western Governors Association published a report on western water ("Western Water: Tuning the System"). The report discussed a number of initiatives which the Department and the states could undertake to improve efficiencies in water use. It found that agriculture has rights to about 85 percent of the water in the west and that if farmers could save 10 percent of this water, it would double the current supply available to municipal and industrial users. This would provide enough water to meet urban demands in many areas until the 21st century and it can be done without reducing agricultural output. What steps will you take to ensure that farmers using water from Bureau of Reclamation projects adopt efficiency improvements and save water for other important uses, such as municipal water supplies or for fish and wildlife?

P.L. 100-516 also places certain water conservation responsibilities on the Department of the Interior. The Administration strenuously opposed this provision. What steps will you take to implement a water conservation policy and program for users of Bureau of Reclamation water?

Answer: Water conservation is a key element of the Bureau's expanded mission, and if confirmed, I will certainly insist that conservation efforts be given a high priority. The Department's support of appropriate voluntary water transactions involving Reclamation facilities (called for by the Western Governor's Association report), helps in water conservation. The Reclamation Reform Act and Bureau of Reclamation regulations requires water districts to prepare conservation plans, and I believe that requirement must be taken seriously and vigorously fulfilled. It is my understanding that over 90 percent of all districts have filed such plans, and upon confirmation, I will strive to achieve 100 percent compliance.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

4. Question: Groundwater: Groundwater depletion and contamination are serious problems in the 17 Reclamation States. Some activities of the Department have contributed to and exacerbated these problems. Furthermore, the Department has, in the past, built expensive water projects in response to problems created by overdrafting groundwater supplies. Such projects would not have been needed if the groundwater has been properly managed and conserved. What steps will you take to ensure that groundwater supplies are protected and well-managed in the 17 Reclamation States? Do you favor legislation, such as H.R. 2521, which requires that those States with groundwater problems develop groundwater management plans?

Answer: There is no question that the depletion of groundwater resources has had an impact in the West. I understand the Bureau is placing a new focus on both the quality and management of groundwater resources and I want to push this initiative forward upon confirmation as Commissioner. I also believe this effort should be carried out in partnership with the States. I haven't had the opportunity to review HR 2521 but I believe groundwater management should be carried out by the States.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

5. Question: Glen Canyon Dam Operations and Environmental Impact Statement: Secretary Lujan has decided to prepare an environmental impact statement (EIS) on the operation of Glen Canyon Dam. Because of the effects on downstream resources in the Grand Canyon, the economic implications, and the intense public interest, this will probably be one of the most important EIS' ever prepared by the Bureau of Reclamation. Four issues are critical:

- GCES Staffing. What commitment do you think should be made to ensure adequate full-time, permanent professional staff in the Glen Canyon Environmental Studies office?
- Interim Release Levels from Glen Canyon Dam. Do you think water release patterns from Glen Canyon Dam should be considered while the EIS process is underway?
- Minimum Flows. Do you believe minimum releases from Glen Canyon (e.g., 3,000 cfs) should be considered to prevent unnecessary fish kills below the dam?
- Coordination with WAPA. The Administrator of the Western Area Power Administration (Western) announced on September 18, 1989, that Western would begin preparation of an environmental impact statement on its Post-1989 Salt Lake City Area Power Marketing Criteria. Obviously power generation practices at Colorado River Storage Project Facilities -- including Glen Canyon Dam -- are a critical issue to be addressed in that EIS. How should the Department of the Interior coordinate its GCES/EIS effort with Western's work on the Post-1989 Criteria EIS?

Answer: As you know, Secretary Lujan has directed Reclamation to prepare an Environmental Impact Statement on the impact of the operation of Glen Canyon Dam on the downstream recreational and environmental resources. The Secretary also indicated the preparation of the EIS should be based upon the ongoing Glen Canyon Environmental Studies, thus avoiding duplication and unnecessary cost. Upon confirmation, I certainly intend to make every effort to ensure that we have the right skills and adequate professional resources to prepare a sound EIS in a timely way.

Answer: Like all EIS's, every issue concerning the impact of the operation of the Glen Canyon Dam on downstream recreational and environmental resources will be examined during the scoping process, and I believe the question of interim releases from the Dam will be included. In my opinion, this is appropriate.

Answer: Like interim release levels, the question of minimum flows is very likely to be considered during the scoping process, I believe that is also appropriate.

Answer: To the best of my knowledge and experience, the Bureau and WAPA have a long-standing relationship and will continue to work together on a number of issues of mutual interest. I believe the Bureau and WAPA can coordinate their efforts in a manner that will both protect the environment and, at the same time, fulfill the mandate of power generation.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

6. Question: Grand Canyon Air Pollution: The Environmental Protection Agency has determined that wintertime visibility impairment in the Grand Canyon "may be reasonably attributable" to the Navajo Generating Station. Since the Bureau of Reclamation owns nearly a one-fourth share in the Navajo facility, the Bureau could face a substantial financial burden if EPA orders the installation of scrubbers or other expensive pollution control equipment. Who should be responsible for paying these costs?

Answer: I have been advised that the Secretary has directed the Department, including the Solicitor's Office, to review the Bureau of Reclamation's obligations and the Department's authority as it relates to the generating station. I am very concerned about the visibility issue at Grand Canyon and will work closely with Secretary Lujan on this when I am confirmed.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

7. Question: Irrigation Drainage: Hundreds of thousands of acres of land irrigated with water developed by Bureau of Reclamation projects in the West have serious drainage problems. The Department has documented many instances in which the drainage water from these lands result in significant contamination of water resources and wildlife habitat. What level of commitment should the Department make to solving these problems? Who should pay for these solutions?

Answer: Irrigation drainage is a very real problem and one to which I would give high priority as Commissioner. I believe there is a high level of commitment on the part of the Department of the Interior to solve the irrigation drainage problems of the Reclamation States and I intend to actively seek solutions. It is my understanding that almost $10 million has been spent in the fiscal years from 1986 through 1989 and significant expenditures -- in the $3 million-a-year range -- will continue for several more years for site investigation, reconnaissance and studies. Repayment for Kesterson and the San Joaquin Valley remediation are under review, I am told, but that no final decisions have been made as to the cleanup costs that may be part of distribution and drainage costs to be paid by the water users, and that portion which may be the responsibility of the Federal Government.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

8. Question: Central Utah Project (CUP): Do you support reauthorization of this project and an increase in the cost ceiling to allow construction of the irrigation and drainage system? How should the Department address Indian water issues affecting the CUP?

Answer: I am told earlier this year, Secretary Lujan stated that he believed the Bonneville Unit of the Central Utah Project should be completed. Existing plans include the irrigation and drainage system. I support the Secretary's position.

Likewise, I am aware the method of financing the irrigation and drainage system is currently under discussion, and I will review any proposals that are developed.

In regard to remaining Indian water issues relating to the CUP, upon confirmation, I will support the Secretary's position that Indian water issues should be negotiated, and will work with the Department's Indian Water Negotiations and Settlements Working Group in that effort.

Dennis B. Underwood
Commissioner-Designate

Congressman Miller

9. Question: California Water Quality Standards: The State of California is currently considering new water quality standards for the Sacramento-San Joaquin Delta. How will this standards-setting process influence your decisions on operation of the Central Valley Project and previous proposals to market the remaining unallocated yield of the CVP?

Answer: New water quality standards for the Sacramento-San Joaquin Delta may impact the CVP in a significant way. The CVP water contracting programs in California are undergoing additional public comment as it relates to the draft EIS. Any revision of the EIS's will certainly take into account, to the extent completed and appropriate, the consideration now going on by the State of California for new water quality standards for the Sacramento-San Joaquin Delta.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

Question: Given the many local, national, and international benefits of wetlands, and the fact that wetlands are generally the surface-level manifestations of aquifers, shouldn't wetlands be included among the Bureau's experimental recharge methodologies?

Answer: It is my understanding that the objective of the High Plains States Groundwater Demonstration Program is to test various recharge technologies and I have been informed that the use of wetlands recharge is one of the methodologies being considered. Two of the three recently added projects involve wetlands: The Texas High Plains playa lakes and the Wood River in Nebraska.

Additional Response: The High Plains States Groundwater Demonstration Program Act of 1983 (P.L. 98-434) authorized and directed the Secretary to carry out a two-phase program to study the potential for groundwater recharge in the 17 Western States and to demonstrate artificial recharge technologies under a variety of hydrologic conditions. In December 1987 a report was sent to various Congressional committees and members of Congress which identified the 21 demonstration projects selected for funding during Phase I of the program. Twelve of these projects were to be initiated in FY 1989 and 9 in FY 1990. During FY 1989, the local sponsors of three of the 21 projects decided to withdraw, so three "replacement" projects were selected in July 1989. These three projects will be initiated in FY 1990.

As I mentioned, two of the three replacement projects contain wetland areas, and the use of wetlands for groundwater recharge will be considered as these projects proceed. The plan for the Texas High Plains playa lakes project includes mitigation and wildlife enhancement that involves nesting areas and winter habitat. The Wood River project in Nebraska will take advantage of numerous small ponds and establish a series of nesting habitat areas.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

Question: Would it be appropriate to conduct an investigation of wetland/waterfowl habitat opportunities associated with reclamation projects?

Answer: There are about 8.5 million acres of Reclamation project lands in the west. I understand the Bureau is currently working on a program with the U.S. Fish and Wildlife Service to inventory all of the wetlands on those lands by the end of fiscal year 1991. The inventory will help determine the exact number of acres involved and their condition and value.

Additional Response: Let me clarify what I understand to be the status of the inventory effort. As part of the National Wetlands Inventory, the Fish and Wildlife Service (FWS) is in the process of collecting data on the wetlands existing on Bureau of Reclamation lands. The Service has already inventoried over half of Reclamation managed lands. The Bureau is increasing its cooperation with FWS and a memo of understanding has been drafted stating Reclamation's intent to assist in inventorying the remaining lands and to collect additional data needed on the already inventoried lands. When this process is completed, the Bureau will be in a better position to consider what further wetland creation, restoration and enhancement activities might be.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

Question: Over the years, the Bureau of Reclamation has executed thousands of repayment and other contracts with water users. These are essentially loan agreements through which the Federal Government is owed hundreds of millions of dollars. I am advised that the Bureau has no central or consistent mechanism for tracking payments on these contracts, no readily accessible data base through which to determine the status of these loans.

Does this strike you as a business-like means to administer a large federal loan program? Are you prepared to suggest any improvement?

Answer: Reclamation is presently developing a bureauwide water service and repayment contract data base. One element of the data base will be the status of repayment for each contractor for any given calendar year. That data base is expected to be fully functional within calendar year 1990.

Additional Response: I am advised that the development of the data base for water service contracts was initiated during calendar year 1988 in order to quantify the number of contracts and water being provided for irrigation and municipal and industrial purposes. That data base was completed early in calendar year 1989. The tabulation includes more than 1,700 water service contracts and is capable of being sorted by region, state, contractor, and expiration date. The data includes the dollar amount per acre-foot, water quantity under contract;and deliveries made in calendar year 1988. This information was last updated August 15, 1989. Reclamation is maintaining that file on a current basis.

I am also informed that, following completion of the water service contract data base, the Contracts and Repayment Branch in the Washington Office initiated an effort to tabulate more than 4,000 fixed obligation repayment contracts that are included in its contract library. That data base will be submitted to each of the five regional offices in late October to verify the tabulated information, and to confirm or supply the initial repayment dates, maturity dates, assigned irrigation and/or municipal and industrial water costs, and the amount of the obligation paid to date. Reclamation intends to complete and have the fixed obligation contract data base functional early in calendar year 1990. One employee in the Washington Office is assigned to this project full time. Funding comes from the General Administrative Expenses appropriated for Reclamation. Each of the regional offices is expected to provide the necessary support to assure completion of the data base.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

1. Over the years, the Bureau of Reclamation has executed thousands of repayment and other contracts with water users. These are essentially loan agreements through which the Federal Government is owed hundreds of millions of dollars. I am advised that the Bureau has no central or consistent mechanism for tracking payments on these contracts, no readily accessible data base through which to determine the status of these loans.

Question: Does this strike you as a businesslike means to administer a large Federal loan program? Are you prepared to suggest any improvement?

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Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

2. As you know, wetland protection is a matter of considerable importance to the Nation and to this Committee.

Question: Do you believe that the Bureau's new mission includes pursuing environmental enhancement opportunities, particularly in the area of wetland creation, restoration and enhancement? If so, what should the Bureau do to implement that feature of its new mission?

Answer: I am fully committed to President Bush's and Secretary Lujan's agenda for the protection and enhancement of the environment, and I believe that pursuing opportunities for environmental enhancement is an important part of the Bureau's expanded agenda. In carrying out this agenda, the creation, restoration, and enhancement of wetlands need to be incorporated into the Bureau's water resources planning, development, use, conservation, and management activities.

Additionally, I believe the Bureau can play an important role in providing technical services to others with respect to environmental protection and enhancement opportunities.

Question: Would it be appropriate to conduct an investigation of wetland/waterfowl habitat opportunities associated with reclamation projects?

Answer: There are about 8.5 million acres of Reclamation project lands in the west. I understand the Bureau is currently working on a program with the U.S. Fish and Wildlife Service to inventory all of the wetlands on those lands by the end of fiscal year 1991. The inventory will help determine the exact number of acres involved and their condition and value.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

3. The Bureau's experimental groundwater recharge program is investigating a variety of means to replenish aquifers. But the Bureau's program ignores the use of artificial or enhanced wetlands for this purpose.

Question: Given the many local, national, and international benefits of wetlands, and the fact that wetlands are generally the surface-level manifestations of aquifers, shouldn't wetlands be included among the Bureau's experimental recharge methodologies?

Answer: Yes. It is my understanding that the objective of the High Plains States Groundwater Demonstration Program is to test various recharge technologies and I have been informed that the use of wetlands recharge is one of the methodologies being considered. Two of the three recently added projects involve wetlands; the Texas High Plains playa lakes and Wood River in Nebraska.

Dennis B. Underwood
Commissioner-Designate

Senator J. Bennett Johnston

4. On September 11, your hometown paper, the Los Angeles Times, wrote a generally positive editorial about you and your candidacy for this job, citing your intelligence and experience in water matters. The paper stated their hope that you would be able to transform Reclamation from "a dispirited Bureau into a model of modern water management." The paper did, however, raise one point of concern: "There is some question as to whether (you have) the political skills and stomach for battling an entrenched reclamation bureaucracy that has been shorn of its glorious dam-building tradition and uprooted from Washington to Denver in recent years. And there is some question whether Underwood will have the support or mandate for doing so from the Bush Administration."

Question: What comment, if any, do you have on the Times editorial?

Answer: I believe the Los Angeles Times editorial was basically acknowledging that these are challenging times for the Bureau of Reclamation and that the Commissioner will be required to exert a high degree of leadership in order to meet Reclamation's expanded agenda. I am honored that, based on my experience and skills, President Bush and Secretary Lujan selected me to confront these challenges and to be a critical team member in carrying out their agenda for the protection of the environment, the conservation and wise management and use of our natural resources. I feel confident that I have their full support, and the capabilities and skills to lead the Bureau of Reclamation in carrying out this mission.

Department of the Interior
18th and C Streets, N.W.
Washington, D.C. 20240

OCT 2 1989

Honorable J. Bennett Johnston
Chairman, Committee on Energy
and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed you will find my responses to the questions for the record following my confirmation hearing before the Senate Energy Committee on September 28.

If I can be of further assistance to you, please let me know. I look forward to working with you and your colleagues in the coming months.

Sincerely,

Curtis V McVee

Curtis V. McVee
Federal Cochairman of the Alaska
Land Use Council-Designate

Enclosures

cc: Honorable James A. McClure, Ranking Minority Member
Committee on Energy and Natural Resources
United States Senate

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

1. Question: Have you ever been investigated, arrested, charged or held by any Federal, State or other law enforcement authority for violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, please explain.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

2. Question: Have any ever been convicted (including a plea of guilty or nolo contendre) of any criminal violation other than a minor traffic offense?

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

3. Question: Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

4. Question: Have you or your spouse ever represented in any capacity (e.g., employee, attorney, business, or political adviser or consultant), with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

5. Question: If you or your spouse has ever been formally associated with a law, accounting, public relations firm or other service organization, have any of your or your spouse's associates represented, in any capacity, with or without compensation, a foreign government or an entity controlled by a foreign government? If so, please fully describe such relationship.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

6. Question: During the past ten years have you or your spouse received any compensation from, or been involved in any financial or business transactions with, a foreign government or an entity controlled by a foreign government? If so, please furnish details.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

7. Question: Have you or your spouse ever registered under the foreign Agents Registration Act? If so, please furnish details.

Answer: No.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

8. Question: Were all your taxes (Federal, State, and local) current (filed and paid) as of the date of your nomination hearing? If not, please explain.

Answer: Yes.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

9. Question: Have all your Federal, State, and local taxes always been paid on time? If not, please explain.

Answer: Yes.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

10. Question: If confirmed, are there any known limitations on your willingness or ability to serve for your full term or until the next Presidential election, whichever is applicable?

Answer: No known limitations.

Co-Chairman-Designate,
Alaska Land Use Council

Senator Johnston

11. Question: Please advise the Committee of any additional information, favorable or unfavorable, which you think the Committee would want to be aware of in considering your nomination.

Answer: No additional information.

Curtis V. McVee
Co-Chairman - Designate
Alaska Land Use Council

Senator Johnston

12. Question: Mr. McVee, in your statement, you mentioned the fact that the Alaska Lands Act requires the Federal Cochairman to submit recommendations to Congress about the future of the Commission.

Will you submit those recommendations as soon as possible so that there will be adequate time for Congress to consider them before the adjournment of this Congress?

Answer: Section 1201(1) of the Alaska National Interest Lands Conservation Act, Public Law 96-487 (December 2, 1980), 94 Stat. 2469 states,

> "Termination - Unless extended by the Congress, the Council shall terminate ten years after the date of enactment of this Act. No later than one year prior to its termination date, the Cochairmen shall submit in writing to the Congress a report of the accomplishments of the Council together with their recommendations as to whether the Council should be extended or any other recommendations for legislation or other action which they determine should be taken following termination of the Council to continue carrying out the purposes for which the Council has established."

The Cochairmen have been working on the development of this report for the past 18 months. It is fully my intent to comply with the statutory requirement and provide sufficient time for the Congress to consider the report and its recommendations.